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HOSTAGES FREE: U.S. Deputy Secretary of State Warren Christopher, left, and Algerian Foreign Minister Muhammad Bin Yahya sign agreement at the Algerian Foreign Ministry Monday on the release of the 52 American hostages.

In dollars-for-people deal 52 fly to freedom

WASHINGTON, Jan. 19 (Agencies) — The United States reached agreement with Iran Monday for the release of the 52 American hostages and reports from Tehran said the captives were expected to fly out of Tehran to freedom in a few hours. There were conflicting reports on whether the hostages had been taken to Tehran's airport. The American CBS news network said the captives were at the airport, but an airport official said they were expected "within three or four hours."

The airport official, contacted by telephone from Beirut about 1330 GMT, refused to give detail or other information.

CBS said that sources inside Tehran told the network that roads to the airport were sealed off when the hostages were moved, and that the airport was closed to traffic. The network said its sources reported that the hostages would likely be taken to Algiers in two Algerian jetliners which had been standing by at the airport, then on to West Germany in U.S. military hospital planes.

U.S. officials hoped the freed Americans would be flown to Algiers and on to West Germany Monday, their 443rd day in captivity. President Jimmy Carter and other officials in Washington prepared to fly to Germany to greet them, but White House officials said the president would not go if the trip would prevent his attending President-elect Ronald Reagan's inauguration Tuesday.

Iran's chief hostage negotiator, Behzad Nabavi, told Tehran radio the Americans would not be freed until the Algerian government announced that Iran assets frozen by the United States had been deposited in a third country in accordance with the agreement.

Nabavi also denied a White House report that Iran had signed the agreement, saying: "We will not sign an agreement with the United States. Rather the Algerian government will issue a statement. We shall announce our agreement with that statement, and the U.S. government will announce it, too. There will not be any signed agreement."

Iran reported getting more than \$8 billion in blocked Iranian funds and gold. This is being put in escrow in the Bank of England for transfer by the Algerians to Tehran only after the hostages "have cleared Iranian airspace." White House chief of staff Jack Watson Jr. said Sunday. And part of it is reported earmarked for repayment of American loans to Iran.

The agreement to end the hostage ordeal is a straight dollars-for-people deal: Iran freed 52 American captives and the United States releases frozen Iranian assets. But U.S. officials insist Iran is not getting "a dime of American money." "The basic exchange is getting back what they took from us and giving to them what we took from them. As a result," State Department spokesman John Tranter said Sunday.

More than \$3 billion now held in European branches of American banks also would be released. The texts of the agreement released Monday said another \$1 billion in Iranian deposits in those banks will be deposited in a special Algerian escrow account to cover all claims against Iran and will be replenished so it does not fall below \$500 million.

The texts also said Iranian assets in domestic branches of American banks, believed to total about \$3 billion will be delivered within six months to an Algerian escrow account and used to pay off loans by American banks to Iranian institutional borrowers, such as development banks, and Iranian companies.

The next of Monday's accord provided that any U.S. assets belonging to the Pahlavi family will be frozen immediately after Iran files a legal claim against it. Iran, like any citizen or government, then will be to pursue those assets in American courts.

The agreement also pledged the policy of the United States will be "not to intervene, directly or indirectly, politically or militarily in Iran's internal affairs."

In Taif Islamic foreign ministers attending the preparatory conference for next week's Islamic summit Monday welcomed the agreement with relief and satisfaction.

Foreign Minister Prince Saud, chairman of the conference, said the settlement would "enable Iran to concentrate on Islamic issues and issues of the area."

This would be "a contribution of Iran to

support the Islamic nation and realize stability and security in the area," he added.

Other delegates commented that with the hostage issue out of the way Iran would be able to turn all its attention to other issues, notably the war with Iraq. Tunisian Foreign Minister Hassan Belkhouja told agency France-Press that the "happy outcome of this crisis would open the way for Iran to accept negotiations with Iraq."

Some delegates said that now it had closed negotiations with Washington, Tehran would be able to turn its attention to the coming summit here, where virtually all Muslim nations awaited its presence.

Also a top Palestine Liberation Organization official said Monday he hoped the release of the hostages would "serve the cause of peace" in the Middle East. Talking to reporters in Taif Farouq Kaddoumi said: "I hope the release will have a positive reflection on the Gulf war and bring it to an end."

Dollar, gold drop as Iran gets assets

LONDON, Jan. 19 (AP) — The dollar dropped against leading world currencies Monday as attention was diverted to the imminent release of U.S. hostages in Iran. Gold prices also declined.

Dealers said the dollar's fall was partly due to worries about how the transfer of Iranian assets will affect world money markets, partly to the dollar advancing too far, ahead of Monday's U.S.-Iranian agreement, and partly because of lower euro-dollar interest rates Monday.

London's five bullion houses fixed the morning gold price at \$ 558.75 a troy ounce down from \$ 565.25 Friday.

Earlier in Hong Kong, gold closed at \$ 560.48. Silver was quoted in London at \$ 14.85 an ounce down from \$ 14.90.

Hostage release not at our expense, Iraq warns

KUWAIT, Jan. 19 (AP) — Iraqi President Saddam Hussein warned in a newspaper interview published Monday against solving the crisis of the U.S. hostages in Iran at Iraq's expense. The 43-year-old Iraqi leader also denied that his Arab nation had gone to war against Iran in order to help the United States secure the release of the 52 American hostages from Iranian captivity.

"Iraq cannot be recruited in the service of foreigners or become a card in their calculations," Hussein told the Kuwaiti independent daily *Al-Anbaa*. "We are not helping the United States find a solution to the hostage crisis and will not accept a settlement of the problem at our expense. We hope this will not happen."

Hussein appeared to be apprehensive that release of the hostages would entail a resumption of U.S. arms and spare parts supplies to Iran that could improve Iran's sagging fortunes in the war on the northern flank of the Gulf.

The United States clamped an economic and military embargo against Iran when the hostages were seized in Tehran by Iran's militant students Nov. 4, 1979. About \$500 million worth of U.S. spare parts and ammunition was in the pipeline at the time.

"The United States has been dropping hints that it is prepared to make Iraq pay the price of the new relationship between Washington and Tehran," the Iraqi president said.

Hussein charged the United States was behind Iran's intransigence on Iraq's territorial and offshore claims, thus fueling the tension between the two Gulf nations into outright warfare.

"Some American circles encouraged Iran to reach such an explosive situation with us in order to enable the United States to reconsider its calculations in the area," Hussein said.

He disclosed that Iraq had turned down several American offers to reinstate diplomatic relations between the two countries, broken off by Iraq since the 1967 Arab-Israeli Middle East war.

He said the latest of these offers was made by the U.S. Secretary of State Edmund Muskie during a meeting he held at the U.N. headquarters in New York with Iraqi Foreign Minister Saadoun Hammadi two months ago.

Israel to build 2 settlements

TEL AVIV, Jan. 19 (AP) — Israel said it will build two more settlements in the occupied West Bank, aiming to complete the government's master plan for settling the territory before updated elections.

"We are trying to finish the government's work," Eli Zibler, spokesman for the committee of cabinet ministers that approves settlements, said Monday.

Mecca Declaration Important draft passed

By a Staff Writer

TAIF, Jan. 19 — The Islamic foreign ministers' conference has approved a document to be called the Mecca Declaration, described as "the most important single document of the conference."

The document will be submitted to the Islamic summit Jan. 25 for adoption by members of the 40-nation Organization of the Islamic Conference.

The Secretary General of the Organization of the Islamic Conference Habib Chatti, told reporters Monday that the declaration was the most significant instrument to be placed before the Islamic summit due to be held on Jan. 25. He gave few details apart from saying that it would "concern all Muslims everywhere and will serve their welfare."

The document was prepared by the political committee under Foreign Minister Prince Saud and the members of nine states including Saudi Arabia in addition to Chatti. It was left open for other states to join if they wished.

The Iraqi Foreign Minister Saadoun Hammadi said the meeting was "extremely fruitful," and that his delegation had submitted certain proposals to add to the declaration.

An Islamic economic strategy, trade cooperation, an Islamic trade development center to be based in Tangier, an Islamic shipping owners federation, were discussed by the economic committee under Saeed Saad Al Saeed of the Kingdom. It will meet again Tuesday.

The cultural committee appealed to the members states to increase their contributions to the Islamic Solidarity Fund of the Organization. It studied a proposal to set up endowments which would bring in an annual income of \$10 million for the benefit of the fund.

The conference decided at its morning session to add to the agenda the liberation movements by Muslims, the Cypriot problem, and assistance to Islamic institutions in Guinea Bissau, Niger, Uganda and Mali.

The conference is expected to wind up its work Wednesday with an announcement of its resolutions.

Earlier Sunday it approved the publicity plan submitted by the organization and proposals to set up an international Islamic court



MEETING: Islamic foreign ministers during their second session in Taif Monday.

Khaled receives Kuwaiti minister

TAIF, Jan. 19 (SPA) — King Khaled Monday received Sheikh Sabah Al-Ahmed Al-Sabah, the Kuwaiti deputy premier and foreign minister. The audience was attended by Crown Prince Fahd, Second Deputy Premier and Commander of the National Guard Prince Abdullah, Prince Sultan, the minister of defense and aviation; Prince Mir'eb, the minister of public works and housing; and Dr. Rashad Pharoan, King Khaled's special advisor.

On the Kuwaiti side the meeting was attended by Saud Al-Qasbi, the Kuwaiti ambassador to the Kingdom.

question.

Other matters approved included: problems of the African Sahel, aid to less developed states, support for the Comoro Islands' claim to the French-occupied Island of Mayote, the administrative and financial position of the organization, increasing aid to the Islamic Solidarity Fund, an Islamic emergency fund, an Islamic sports festivals and amending the charter of the organization.

Three committees for political, economic and cultural matters were set up.

Palestine and the plight of the holy city of Jerusalem were the most important concerns of the organization, according to Habib Chatti, the secretary general as he reviewed 12 years of activities since its inception. "The Israeli aggression is the most serious single challenge faced by the Arabs and Muslims," he said.

Chatti said the organization had tried to use its good offices to bring about a peaceful settlement of the Iraqi-Iranian conflict and to deal with the Soviet occupation of Afghanistan.

(Continued on back page)

Summit to study Islamic action plan Zia urges end to inter-rifts

By Shahid Orakzai Arab News Correspondent

RAWALPINDI, Jan. 19 — The Mecca summit will consider an "Islamic action program" to shape up the efforts of the Islamic countries for securing a just solution of the Middle East problem, President Zia ul-Haq said here in an interview with *Arab News*.

The Pakistani president, the current chairman of the Organization of the Islamic Conference, said he would apprise the summit of the efforts undertaken by the Conference under his leadership for restoring peace in the Gulf and hoped the summit would make "concrete and practical proposal" to end the



President Zia

"fratricidal conflict which is causing great losses of life and property to both sides, thus weakening the Islamic ummah."

On the Middle East, Zia said that Islamic countries had been urging at international forums for Palestinians' right of self-determination and to secure Israeli withdrawal from the occupied Arab lands including Jerusalem.

Asked about the attitude of the incoming Reagan administration in the United States, he said, "I expect that they will realize the gravity of problem and accept the justness of the Palestinian cause as well as the necessity of finding a just solution."

On the super power rivalry in the region, Zia said that small countries had to live under the shadow of powerful ones and added that "some times these powers succeeded in securing concessions from smaller countries in return for offers of security."

However, he said that the unity of the Islamic world could be a "powerful factor to ensure that Islamic countries do not have to play in the hands of any super power."

Zia believed that the Conference could play a vital role in promoting more solidarity among the member states.

When his attention was drawn to his proposal for collective security arrangements for Islamic countries, put at the last Islamic Foreign Ministers' Conference, he said the question was being studied by an expert committee.

Zia was glad that his proposal evoked good response from OIC members but said that the

question was not included in the summit agenda.

Speaking about the summit, he said, it would be a landmark in the ummah's quest for unified action to face the challenges of the modern world.

On the Afghan question, Zia said that although possibilities of holding a dialogue under the aegis of the United Nations had increased recently, Pakistan by agreeing to enter into talks had "not given up any of the principles enunciated by the Conference."

He said the Afghan issue would be an important item on the summit agenda and Pakistan would apprise the conference of its efforts to secure withdrawal of Soviet troops from Afghanistan.

Zia, who had just returned from a week-long tour of Gulf states, said "the security of the Gulf including navigation and the security of oil lanes was the exclusive responsibility of Gulf states. We believe they are capable of ensuring this." He said that Pakistan had consistently supported the concept of Indian ocean as a zone of peace and this also covered the Gulf security.

Asked to comment on some recent proposals for Gulf security, Zia said "while we support the concept of the removal of super power rivalry from it (Gulf) it should not be forgotten that the present tension and increased presence of major maritime powers around the Gulf is due to certain underlying causes, including the denial of justice to the Palestinian people, the aggressive and expansionist designs of Israel as well as the armed intervention in Afghanistan."

He said until these causes were removed, "it would be difficult to ensure peace in the area."

Talking of the Kingdom's role in promoting Islamic solidarity, Zia lauded the Saudi Arabia's mediatory role in defusing the tension between Syria and Jordan. The Saudi Arabia's effort had been lauded by not only the Islamic world but also the entire international community.

He said Saudi Arabia had always played a major and constructive role in promoting unity of the ummah as well as in projecting the concept of Islamic solidarity and cooperation. "This is evident from the fact that the Islamic summit is being held in Saudi Arabia, the fountainhead of Islam," he added.

Text of the agreement

ALGIERS, Jan. 19 (AP) — Here is the English text of the agreement signed Monday in Algeria by Deputy Secretary of State Warren Christopher for the release of the American hostages in Iran.

Declaration:

A. The government of the Democratic and Popular Republic of Algeria, having been requested by the governments of the Islamic Republic of Iran and the United States of America who serves as an intermediary in seeking a mutually acceptable resolution of the rifts in their relations arising out of the detention of the 52 United States nationals in Iran, has consulted extensively with the two governments as to the commitments which each is willing to make in order to resolve the crisis within the framework of the points mentioned in the resolution of Nov. 2, 1980, of the Islamic consultative assembly of Iran.

On the basis of formal adherences received from Iran and the United States, the government of Algeria now declares the following inter-dependent commitments have been made by the two governments.

The undertakings reflected in this declaration are based on the following general principles and within the framework of and pursuant to the provisions of the two declarations of the government of the Democratic and Popular Republic of Algeria, the United States will restore the financial position of Iran, in so far as possible, to that which existed prior to Nov. 14, 1979. In this context, the United States commits itself to insure the mobility and free transfer of all Iranian assets within its jurisdiction as set forth in paragraphs four to 10.

B. It is the purpose of both parties, within the framework of and pursuant to the provisions of the two declarations of the government of the Democratic and Popular

Republic of Algeria, to terminate all litigation as between the government of each party and the nationals of the other, and to bring about the settlement and termination of all such claims through binding arbitration.

Through the procedures provided in the declaration relating to the claims settlement agreement, the United States agrees to terminate all legal proceedings in the United States courts involving claims of United States citizens and institutions against Iran and its state enterprises, to nullify all attachments and judgments obtained therein, to prohibit all further litigation based on such claims, and to bring about the termination of such claims through binding arbitration.

I. Non-intervention in Iranian affairs.

1. The United States pledges that it is and from now on will be the policy of the United States not to intervene directly or indirectly, politically or militarily, in Iran's internal affairs.

II and III: Return of Iranian assets and settlement of U.S. claims.

2. Iran and the United States (hereinafter the parties) will immediately select a mutually agreeable central bank (hereinafter the central bank) to act, under the instructions of the government of Algeria and the Central Bank of Algeria (hereinafter the Algerian Central Bank) as depository of the escrow and security funds, hereinafter prescribed and will promptly enter into depository arrangements with the central bank in accordance with the terms of this declaration all funds placed in escrow with the Central Bank pursuant to this declaration shall be held in an account in the name of the Algerian Central bank, certain procedures for implementing the obligations

set forth in this declaration and in the declaration of the Democratic and Popular Republic of Algeria concerning the settlement of claims by the government of the United States and the government of the Islamic Republic of Iran (hereinafter the claims settlement agreement) are separately set forth in certain undertakings of the government of the United States of America and the government of the Islamic Republic of Iran with respect to the declaration of the Democratic and Popular Republic of Algeria.

3. The depository arrangements shall provide that, in the event that the government of Algeria certifies to the Algerian Central Bank that the 52 U.S. nationals have safely departed from Iran, the Algerian Central Bank will thereupon instruct the central bank to transfer immediately all monies or other assets in escrow with the central bank pursuant to this declaration, provided that at any time prior to the making of such certification by the government of Algeria, each of the two parties, Iran and the United States shall have the right of 72 hours notice to terminate its commitments under this declaration. If such notice is given by the United States and the foregoing certification is made by the government of Algeria within a 72-hour period of notice, the Algerian Central Bank will thereupon instruct the central bank to transfer such monies and assets. If the 72-hour period of notice by the United States expires without such a certification having been made, or if the notice of termination is delivered by Iran, the Algerian Central Bank will thereupon instruct the central bank to return all such monies and assets to the United States, and thereafter the commitment reflected in this declaration shall be of no further force and effect.

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For Saudi Arabians

Officials review common training problems

By Javed Hasan

JEDDAH, Jan. 19 — Some common problems encountered with the various training programs for Saudi Arabians were the theme of one-day seminar held here.

The seminar was sponsored by the Public Organization for Technical Education and Vocational Training (Ministry of Labor) and the Daniel International (Saudi Arabia) Ltd. More than 50 training managers from various government and private organizations attended the seminar which was addressed by

Ahmed Yahya, director-general of labor western region; Muhammad S. Dhallan, assistant deputy minister for training affairs; and Reda Nazer, chairman, Daniel International (Saudi Arabia) Ltd.

Yahya, in his welcome address, assured full cooperation to any company training the Saudis. He said the government had stipulated that every concern with a strength of 100 employees should train a minimum of five per cent Saudi employees.

Dhallan said the new organization will give subsidies for training centers, including

salaries for the instructors and the trainees. David Davies, advisor of training, International Civil Aviation Organization (P.C.A.), said "a problem unique to Saudi Arabia is the distinct lack of mobility in the trainees' population. A trainee who comes from Riyadh wants to stay and work in Riyadh. He doesn't want to move out."

Muhammad Awwad, chief of research, MLSA, western province, referred to the shortage of Saudi labor caused by a low standard of education and dropouts from educational institutions. Underlining the importance of a long-term plan for achieving the "Saudiization" of jobs, Ibrahim Serage, director of training for International Airports Projects, said this could be done if the trainees were given proper incentives and opportunities for promotion.

Hassan Tayib, general manager of corporate training and development for Saudia, said the new training organization could coordinate with the ministry of education, the ministry of higher education and the civil service bureau. It could also propose teaching of English at the elementary stage and work for giving Saudis a technical orientation.

Explaining why there was a low level of trainees among the Saudis, Pat Bell, manager of Human Resources Development Institute (Yanbu), said one reason was the lack of an outlet for higher training and proper incentives.

Saad Rowda, deputy manager, Aramco Affairs in Jeddah, spelled out some of the features of the career development training department for Saudi nationals.

In Saudized bank

Sattam lauds capital function

RIYADH, Jan. 19 (SPA) — The participation of national capital in banks expands the prospects of investments among the public and their participation in the profits, thus the national capital controls the country's economy, according to Prince Sattam.

The deputy Riyadh governor made the statement in ceremony while dedicating the Saudi American Bank's branch in Riyadh Sunday. The Saudi American Bank, formerly Citibank, was Saudized in July, 1980, and has a capital of SR300 million.

Prince Sattam expressed his pleasure of the

participation of Saudi Arabian capital in the development of the national economy through banks. This participation creates job opportunities for Saudi Arabians, he added.

The prince hailed the government's economic policy regarding the national capital and its encouragement to the private sector investments and their participation in boosting the economy. The control of national capital in the banks helps in directing the bank facility policy in the interest of the country's economy and improve services through competition, Prince Sattam said.

To be considered at summit

Ministers state goals

TA'IF, Jan. 19 (SPA) — Four Muslim foreign ministers arrived here Monday morning to lead their countries' delegation to the Islamic foreign ministers' conference that opened Jan. 17.

Among them was Chad Foreign Minister Aycl Ahmadi Aghbash who said that his country will appeal to the participants in the conference for assistance to help Chad overcome the difficulties facing it. The minister thanked Saudi Arabia for the preparations for the historic conference.

He said that Chad, being one of the founding members of the Organization of the Islamic Conference (OIC), was keen to take part in the conference despite the difficulties of draught and civil war facing the country.

The other foreign ministers were Hajj Alamin Kitta, Jaben of Gambia, Aliyon Bay of Mali and Abdullah Toure of Guinea. They were received by Salem Sumbul, foreign ministry chief of protocol and other officials of the ministry.

The Guinean minister said his country has participated in the preparatory work for the conference at all levels, and now it comes to

contribute in the conference's success. Guinea will work effectively within the conference's committees, and it is determined to exert noticeable activities in the conference, he added.

Meanwhile, the Gambian foreign minister announced that President Dawoda Jawara will lead his country's delegation to the third Islamic summit to open in Mecca Jan. 25. The historic conference will provide a good opportunity to achieve solidarity and unity among Islamic countries, he added.

He said his country will concentrate, among the issues of the agenda, on the topic of the West African coast which is suffering from draught and has negative implications for the region's countries.

Kuwaiti Foreign Minister Sheikh Sabah Al-Ahmad Al-Jaber said the foreign ministers' conference has unanimously approved the establishment of an Islamic Justice court proposed by Kuwait.

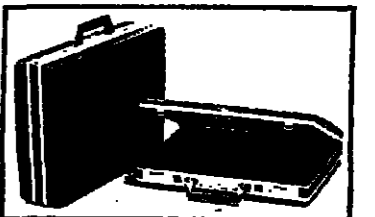
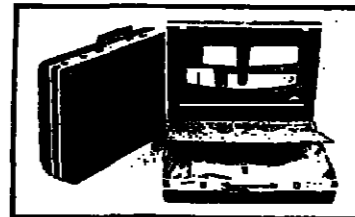
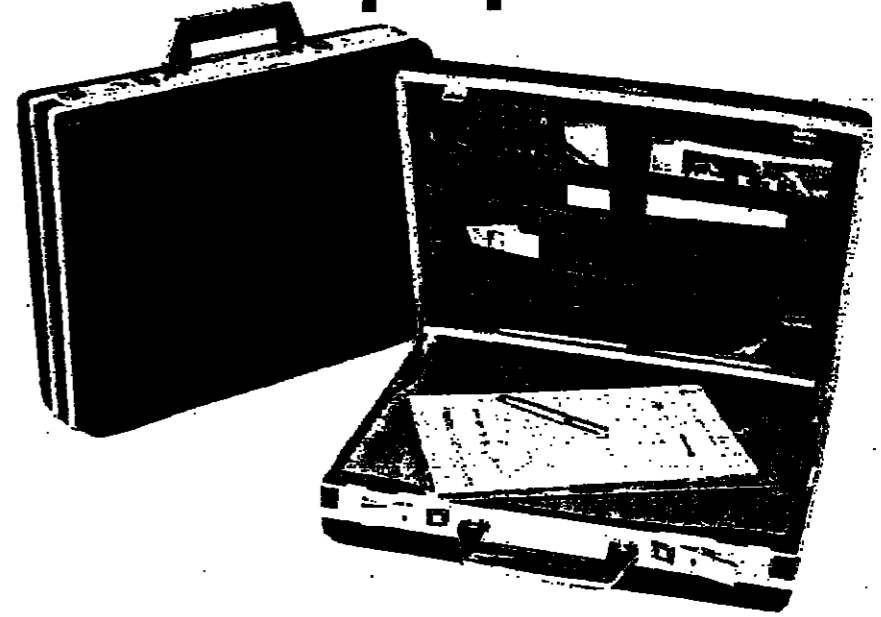
Iraqi Foreign Minister Saadoun Hammadi announced that his country would cooperate with any peaceful solution to Iraqi-Iranian dispute drawn by the foreign ministers conference.

Prayer Times

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Dhuhr	12.32	12.33	12.04	11.51	12.15	12.45
Assr	3.41	3.38	3.09	2.53	3.17	3.43
Mughrib	6.04	5.59	5.30	5.14	5.39	6.04
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For solving problems, Fahd says

Summit presents opportunity

JEDDAH, Jan. 19 (SPA) — Crown Prince Fahd said he was hopeful that the forthcoming Islamic summit conference will be a great success and that it presented a unique opportunity to solve many problems and clear some impediments that have obstructed Islamic efforts.

In an interview with *Oman*, Prince Fahd said the conference was not "an ordinary meeting," but a crucial turning point in the Islamic endeavor which seeks to unite the Islamic nation in one joint framework of action. "The act that we have met and exchanged frank views is an asset in itself," he said. "If we work sincerely and determine to serve the supreme interests of our nation we shall certainly succeed," he added.

Prince Fahd said there was still hope in settling peacefully the Iraq-Iranian conflict before the summit is held so that the leaders of both countries might attend it and work with the others for the glory and triumph of the Muslims.

Last year Prince Fahd called for Jihad, holy struggle, to liberate the occupied city of Jerusalem and the rest of Arab territories under Israeli control. "When I called for

Jihad," he said, "I was looking at the situation in the Islamic world and our need to dedicate all our capabilities and mobilize our resources to protect our gains. I believed, and still do, that the Islamic world had a treasure house of virtues and moralities which formed the foundation of its laws, systems and conduct. If we can live by these virtues and shun all vices we shall be able to launch the Jihad."

Prince Fahd said he was not pessimistic because if he were, there would have been no need to meet at the summit level. "But I must admit that there are divisions and differences in the Islamic world because of the interference of outside powers and their plans to spread their hegemony over it," he said. He called for greater efforts and sacrifices and unity under the banner of Islam.

He made clear that the conference was not aimed at any body or an occasion to discuss again in detail the problems facing Muslims but "a fateful assembly to solve decisively a lot of outstanding questions." The peace and security of the Islamic world depended on the independence of its states and remaining out of the international power blocs while keeping the "sensitive parts of the

world including our region away from international rivalries," he said.

Prince Fahd said the question of Jerusalem cannot be solved from outside the Islamic world which alone is capable and qualified to decide the position to be taken, and the solution for the whole problem. He emphasized that the Saudi Arabian position is Islamic, Arab and humanitarian.

Asked about the new U.S. Administration under President Reagan, Prince Fahd said he was prepared to cooperate fully with it if the U.S. leadership showed genuine goodwill and wished to work sincerely for peace and justice in the region. "I have said many times that it is irresponsible to seek solutions from others because nobody is going to understand and sympathize with us or to offer us the settlement we want on a platter of gold." It is the Islamic nation alone which must decide how to deal with the others and not to expect them to support it and its causes if it is incapable of consolidating its own capabilities, he added.

"We in the Islamic world should have no preconceptions about anyone since we are able to deal with anyone who is prepared to respect our rights, understand our demands and appreciate our situation," he said.

During 1980

Sino-Saudi cooperation sees growth

By Bill Wang

JEDDAH, Jan. 19 (CNA) — Sino-Saudi cooperation described as a model for the world by Sheikh Mohammed Aba Al-Khail, Saudi minister of finance and national economy and co-chairman of the Sino-Saudi Permanent Committee on Economic and Technical Cooperation, encompasses a wide range of areas.

While Saudi Arabia has been supplying the Republic of China with crude oil and development loans, Taipei has been actively participating in Riyadh's development plan with Chinese experts working hand in hand with Saudi Arabians on agricultural, industrial, electric power, communications, construction, health care and science and technology projects.

The past year has seen some especially significant developments in their cooperation.

Following the signing of the final agreement between the Taiwan Fertilizer Co. and the Saudi Arabian Basic Industries Corp., a 50-50 joint venture company was formally established in 1980 to implement a \$50 million project for the building of a fertilizer plant in the Kingdom's Jubail industrial complex.

Construction has begun on the plant which is expected to go on stream by the end of 1982 with a capacity of 500,000 tons of urea per annum. It will be the first major project to go on production at Jubail, the Kingdom's most important future industrial center.

Another significant development was that the Taiwan Power Co. had completed in early 1980, one of the Kingdom's four major rural electrification projects. Currently, some 100 Taipower experts and technicians are maintaining operation for the scheme to insure a stable power supply to the 200,000 inhabitants in the Baha area.

In Hofuf, a general hospital jointly run by the Saudi Health Ministry and the Chinese

National Health Administration, just celebrated its first anniversary in December last year amid growing reputation.

Some 400 Chinese doctors, nurses and technicians are working at the hospital which is the only general hospital for the half a million population in Al-Hassa, the Kingdom's largest oasis near the Gulf.

Another jointly-run general hospital in Jeddah was opened in September. The hospital is to be one of the best in the Kingdom's western region when a Chinese open-heart surgery team starts working there in 1981. It will be the second open-heart surgery team in the Kingdom.

In addition, a joint research project became operational last November for developing a fresh water fish culture scheme in the Kingdom. The project being jointly carried out by the Saudi Arabian National Center for Science and Technology and the Taiwan Fisheries Research Institute, is the first of its kind ever being tried in the Kingdom.

Meanwhile, the Saudi government has increased its direct sales of crude oil to the Republic of China from 20,000 to 50,000 barrels per day from Jan. 1, 1980.

Last December, the Saudi Fund for Development and Taipower signed an agreement to provide the latter with a \$45 million loan to help finance its transmission and substation projects.

As Sino-Saudi cooperation grows closer, increasing contracts between the people of the two countries also become more frequent. The health cooperation is a case in point. The services offered the nearly 1,000 Chinese medical workers in the Kingdom have reached to nearly every level of the Saudi society.

Direct contacts have been going on in other areas as well. For example, 17 Saudi farmers were sent to Taipei last August for a three-week training in modern farming techniques.

All the members were experienced farm workers, and the tour has enabled them to meet directly with Chinese farmers and exchange experience with them.

In addition, more and more Saudi farmers have benefited from the work of a Chinese agricultural mission operating in Al-Hassa. The mission carried out an extension program early 1980 to share its research success with local farmers.

On the cultural front, there has also been a widening contact under the promotion of the Sino-Saudi Permanent Committee on Cultural Cooperation.

A group of 100 Saudi youth made a study tour of the Republic of China last August during which they also took part in cultural activities organized by the China Youth Corps.



SCHOOL PLANS: Participants in the ninth session meetings of the Gulf Educational Bureau Executive Board discuss the establishment of the Gulf University, to be located in Bahrain, as well as other collective educational programs.

Yamani tours media offices

TAIF, Jan. 19 (SPA) — Information Minister Dr. Muhammad Abdo Yamani inspected the ministry's offices for covering the Islamic foreign ministers' conference Sunday night.

Dr. Yamani toured all the departments and inspected the progress of work to ensure that efforts were proceeding according to the plan adopted to serve the conference, participating delegation and the foreign media delegations who arrived to cover the conference.

The minister discussed the details of the plan and called on the personnel in charge to exert more efforts to provide services which would be in the standard of the Islamic summit conference to open next week.

The tour covered the Islamic Information Center, radio and television studios and the Saudi Press Agency office. Dr. Yamani expressed satisfaction about the facilities provided to foreign journalists and reporters coming from different parts of the world.

Arab, Islamic and foreign media have collectively decided that the Information Ministry's facilities were well-planned. They have expressed gratitude for the Kingdom's efforts in preparing and hosting the conference, and the Information Ministry in particular for facilitating their work by circulating bulletins, photographs and informative booklets. The media delegation also thanked the ministry for providing communication and transmission equipment for their news messages, and radio and television broadcasts in a unique manner.

At the end of the tour, Dr. Yamani expressed his pleasure for the intensive efforts of the ministry to cover the historic development that coincides with the advent of the 15th Hijra century. The ministry mobilized all its resources to serve the conference at the instructions of King Khaled, Crown Prince Fahd and Foreign Minister Prince Saud.

The minister was accompanied during his tour by Deputy Minister Dr. Abdul Aziz Khoja and other officials.

BRIEFS

Diplomatic enclave work
RIYADH, Jan. 19 — Nearly 40 per cent of the infrastructure for the diplomatic enclave here has been completed. This includes electricity, water and drainage services as part of the master plan to build a large township for the diplomatic community in the Kingdom. All embassies will move to the capital by 1983.

Farming projects approved
RIYADH, Jan. 19 — Minister of Agriculture Dr. Abdul Rahman Al Sheikh approved plans to set up new projects for poultry, greenhouses, vegetables in Riyadh, Qasim, Kharij and Baha at a cost of SR52 million. There will be other farming projects in Riyadh, Qasim and Hasa to bring the total licenses to eight.

Housing planned
JEDDAH, Jan. 19 — Plans are under way at the Ministry of Public Works and Housing to build 18,000 units north of the city. It will be one of the largest projects ever undertaken by the ministry. Another housing scheme for 3,700 homes has been completed just off Mecca Road in addition to the 2,000 units built along the Prince Fahd Street facing the airport.

Education plans
RIYADH, Jan. 19 — The formation of a supreme council for comprehensive education in the Gulf region, as well as scholarship programs, was discussed at a meeting of the executive council of the Gulf education bureau here Monday.

Hotel talks underway
RIYADH, Jan. 19 — Talks will begin in Bahrain this week to convert the Institute of Catering and Hotel Management into a regional one for the service of all the states of the region. A delegation from the Ministry of Commerce's, hotel division, left for Manama Monday for the talks.

Islam embraced
JEDDAH, Jan. 19 — Eighteen persons declared their conversion to Islam at a special meeting with Sheikh Abdul Aziz Al Issa, chief justice here Monday. They included 13 Koreans, three Filipinos — including one woman, a Malaysian and Portuguese. Issa talked to them and explained the tenets of Islam and its unique qualities of justice and equality among all Muslims everywhere. Earlier, four foreigners embraced Islam. They included an Ethiopian woman and an American.

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Poised for economic expansion

Gulf states aim at industrialization

BAHRAIN, Jan. 19 (R) — The oil states of the Middle East are about to enter another phase of economic expansion with the ultimate goal of transforming their countries into major industrial powers.

Indications are that the economy of the Middle East is strong despite the concern over the war which had flared up at the heart of the Gulf.

Bankers and economists in the Gulf states outside the war zone present a generally rosy picture of economic prospects in 1981.

Even after the massive spending programs, OPEC countries, essentially will have a financial surplus of about \$90 billion this year, economists forecast.

Across the war zone, Iraq is gearing its 1981 economic plan to the war, with priority going to the repair of oil installations and other sites damaged in the fighting.

Construction spending, while a smaller percentage of the Gross National Product (GNP) than in the second plan, is still

expected to provide a continued vast market for foreign contractors, bankers say.

By contrast, Iran's economy is torn by the war. Its industry has been hit by supply and organizational problems as well as the war, and is generally operating at a low level.

Oil revenue has been slashed, with production estimated at no more than one million barrels a day, diplomats say.

Meanwhile, Iran's non-oil exports, including carpets, caviar, dried fruits and nuts and overall amount of industrial and mining goods also help to ease the burden of import payments.

In the United Arab Emirates, spending will continue at a high level this year, with the showpiece, a \$20 billion industrial complex, being built at Ruwais in Abu Dhabi.

Qatar, where economic conditions improved last year with a fall in inflation and increased capital spending, seems set for another bright year, bankers say.

The biggest problem for Iraq is likely to be importing enough basic materials to repair installations, continue new development projects, and provide support for the war effort while its main ports are closed.

For Kuwait, this year promises a steady level of government spending to develop an already established economic infrastructure, bankers say.

But the general manager of the Kuwait International Investment Company, Hikmat Nashashibi, says Kuwait government spending this year will be in line with 1980.

Bahrain will see an aggressive diversification program away from oil this year, with construction beginning on a petrochemical plant and iron rolling mill, bankers say.

Oman this year begins an ambitious five-year plan, costing more than \$20 billion.

Qatar, where economic conditions improved last year with a fall in inflation and increased capital spending, seems set for another bright year, bankers say.

Saddam Hussein declares

Iraq is firm on N- weapons

KUWAIT, Jan. 19 (AP) — Iraqi President Saddam Hussein said Monday that he has no complaints about arms contracts with France. He declared that his nation is determined to acquire nuclear know-how unless an international panel is allowed to destroy Israel's nuclear capabilities.

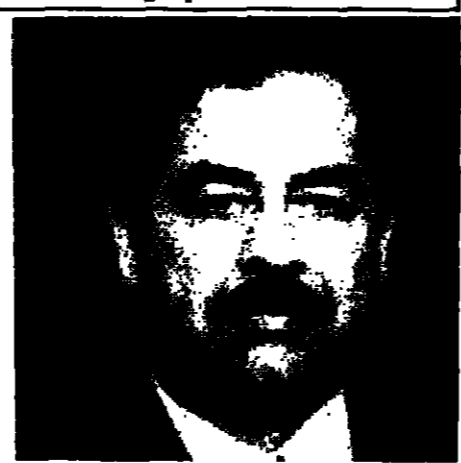
He said in a newspaper interview that the Soviet Union showed understanding of Iraq's views in the war with Iran but that "some differences do exist" between Baghdad and Moscow.

scheduled last month.

Hussein charged Israel was involved in an attempt by Iranian warplanes to bomb a French-built Iraqi nuclear reactor near Baghdad in the early days of the war, but admitted he could not produce proof of Israel's complicity.

Hussein said Iraq would use nuclear technology for peaceful purposes and was determined to acquire the know-how for producing nuclear weapons in order to establish an atomic balance with Israel, according to Al-Anbba.

"It is not sufficient for Israel to say that it is ready to destroy all nuclear weapons in its possession, because this is a trick designed to prevent acquisition of nuclear know-how by Iraq and other Arab states," Hussein said.



President Saddam Hussein

inspect Israeli nuclear weapons and appraise Israel's nuclear capabilities, Hussein went on. "Only then, we Arabs, are prepared to sign a commitment not to produce any nuclear weapons."

To force Kabul recognition

Soviets backtracking on Afghan peace offer

ISLAMABAD, Jan. 19 (R) — Pakistan's initiative to negotiate a political settlement in Afghanistan has run into difficulties following an apparent stiffening of Soviet terms for talks between Islamabad, Tehran and Kabul, diplomats here said.

The Soviet move, after signals to Pakistan last month hinting at flexibility, seemed designed to force tacit recognition of the Soviet-backed government in Kabul, Western and Middle East diplomats said.

Other diplomats said there was nothing new to suggest the Soviet Union was as flexible as the Pakistan government was led to believe.

Pakistani Foreign Minister Agha Shahi had announced Jan. 3 that favorable conditions have arisen for a political solution in Afghanistan. He urged U.N. Secretary General Kurt Waldheim to appoint a representative to initiate talks between Pakistan, Iran and the ruling People's Democratic Party of Afghanistan (PDPA).

Diplomats said the Pakistani announcement followed a signal from Moscow that Kabul was prepared to hold talks with Pakistan's government under U.N. auspices without prior recognition of Afghan President

Babrak Karmal's administration.

Talks in New York during the past two weeks between the U.N. secretary, Iran, Pakistan and Afghanistan to appoint a representative to supervise the negotiations have been inconclusive.

Diplomats said the Soviet Union was putting pressure on Waldheim not to act, and was insisting that if a U.N. representative were appointed, he should not have a major role in initiating the talks but would only attend once they had begun.

Kabul and Tehran rather than a tripartite conference under a U.N. chairman.

An authoritative source in Islamabad said Pakistan would refuse any talks with Kabul which did not include a U.N. representative.

"If we talk to representatives of the PDPA without the U.N. representative, it would be seen as recognition of the Kabul government," the source said.

West Bank camp put under curfew

TEL AVIV, Jan. 19 (Agencies) — The Palestinian refugee camp of Jelazoun in the occupied West Bank was put under curfew Sunday night after "the discovery of an arms cache nearby," Israeli military sources claimed Monday.

In another development, the Jerusalem Post reported Monday that Eliahu Ben-Elissar, Israel's ambassador to Egypt, will resign to run for parliament this summer.

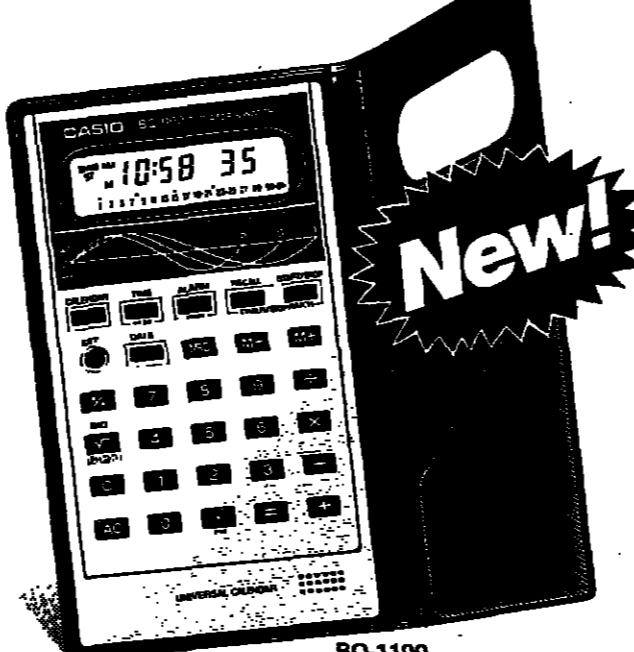
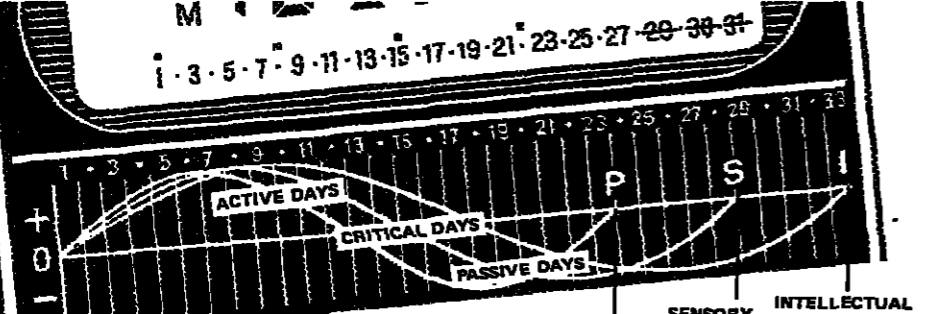
The paper quoted political circles as saying Ben-Elissar intended to run as a member of Prime Minister Menahem Begin's Likud faction.

A foreign ministry spokesman said he had no information on Ben-Elissar's plans, but noted that Israeli law requires that a civil servant resign 100 days before running for office.

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Crisis over subs deal worsens

China attacks Dutch premier

BEIJING, Jan. 19 (AFP) — The crisis over the Netherlands' impending sale of two submarines to the Republic of China despite Peking's objections worsened Sunday night when the Chinese Premier issued a statement incriminating Dutch Premier Andreas Van Agt.

This Chinese statement followed a commentary Sunday by the NCNA reproaching, for the first time, advisers of U.S. President-elect Ronald Reagan with having given a green light to the Netherlands for the sale. The two submarines are to be built by the Rotterdam firm. Peking views the deal as backing up the idea of "two Chinas co-exist" — Communist China on the Asian continent and a nationalist government on the island of Taiwan.

China has threatened the Netherlands with reducing the two countries' diplomatic relations to the level of charge d'affaires offices. That threat looks more and more likely to be carried out judging by the tone of the Chinese declarations, observers noted. The Chinese news agency quoted the Foreign Ministry spokesman as stressing that neither Van Agt

nor any member of his delegation had divulged the submarine project to the Chinese in October.

The spokesman added that it was "shocking indeed that the Dutch side wants to defend its wrong decision by such means."

Earlier Sunday, the NCNA called the decision "myopic" and intended "just to earn a few hundred million American dollars."

The whole uproar, in which Peking has shown great firmness, is intended by Chinese leaders as a warning to the Reagan administration two days before the new President is inaugurated. Observers believe that China wants Reagan to listen to his most moderate advisers concerning Chinese affairs and no longer heed the partisans of re-establishing official relations between Washington and Taipei.

Nonaligned conference

India ignores Kampuchea government

NEW DELHI, Jan. 19 (AP) — India has invited Kampuchea to the nonaligned group ministers' conference here next month, an Indian government spokesman has said Saturday.

He said Saturday that although India has recognized the Vietnam-installed Heng Samrin regime of Phnom Penh, India was abiding by the decision of the 1979 nonaligned summit in Havana, Cuba, which said that Kampuchea would not be represented in the summit until a decision was taken on its status by the coordinating bureau of foreign ministers.

The ousted Pol Pot government, which has a seat at the United Nations General Assembly, has disputed the legitimacy of the Samrin regime which came to power after a Vietnamese military drive into Kampuchea in early 1978. Thousands of Vietnamese troops remain in the war-ravaged southeast Asian nation.

India's recognition of the pro-Hanoi government last year drew sharp criticism from several non-aligned nations. Meanwhile, Cuban Vice Foreign Minister Jose Viera held talks in New Delhi with Indian officials on the forthcoming conference. India spokesman

J.N. Dixit said that the two sides agreed to work together to "ensure consensus and unity" at the Feb. 9-12 meeting.

The situation in Kampuchea, the continuing Soviet presence in Afghanistan and the Iran-Iraq conflict will be controversial topics at the three-day meeting, which also will mark the movement's 20th anniversary.

Dixit said all 93 member nations, including Afghanistan, Iran and Iraq, are expected to attend. The nonaligned group in theory not ally itself with either superpower, although Cuba and other pro-Soviet nations within the movement have argued that Russia is a "natural ally."

Burma tries to solve Kampuchea problem

BANGKOK, Jan. 19 (AFP) — Burmese Foreign Minister Lay Maung arrived here Monday on the first stage of a shuttle between Thailand and Vietnam aimed at paving the way for new talks on Kampuchea between the two countries. He will go to Hanoi Wednesday and return here Friday before going back to Rangoon.

The Thai foreign ministry said his visit was aimed at promoting and reinforcing "the good relations between Thailand and Burma." Diplomatic sources here said Lay Maung's visit followed a proposal by Burmese President Ne Win offering Rangoon as a neutral venue for talks between Thailand and Vietnam, on the Kampuchean issue.

72 Viet refugees murder Thais

By Edward Thanakrajah Arab News Correspondent

ANGKOK, Jan. 19 — Refugees from Vietnam, Kampuchea and Laos are usually treated by the people of Thailand sympathetically. But it was not so in the case of 72 refugees who arrived a few days in south Thailand. The Vietnamese are being held for piracy and murder.

They arrived on a Thai fishing trawler which they had allegedly seized from Thai fishermen on the high seas after a fight. According to the owner of the vessel, Veera Sasana, a refugee boat came alongside while they were fishing and asked for food. In fact we did have cooked food in the boat, but seeing their plight abandoned our

fishing operations and prepared food for them and in return they ungratefully forced us out of our boat and sailed away allowing five of the eight-man crew to drown," Lak-sana told police authorities here.

According to Lak-sana, after consuming the food and water the refugees refused to leave the Thai boat and a fight broke out resulting in the outnumbered Thais being forced to jump into the sea. Four of them managed to keep their heads above water clinging to each other and as they were heading toward another fishing trawler one of them was drowned through exhaustion. The fate of the other four who jumped into the sea and never came up is not known. They are now believed drowned. Thai police will charge the 72 refugees for piracy and murder.



VANTAGE POINT: A young Salvadoran guerrilla reposes Saturday in a window in San Lorenzo, occupied by the insurgents since last October. The town, which had a population of over 4,000, is now inhabited by only 300, including the guerrillas.

New guerrilla offensive fails in El Salvador

SAN SALVADOR, Jan. 19 (Agencies) — Government troops appeared to be in firm control of El Salvador despite unconfirmed reports of continued fighting with leftist guerrillas in at least one area outside the capital.

There were no indications Sunday that guerrillas had decided to follow through on last week's all-out effort to topple the United States backed ruling junta in which government sources say over 700 people were killed.

The leading spokesman for the Catholic church here, Arturo Rivera Y. Damas, described the fresh guerrilla offensive as a failure and praised the good sense of the Salvadoran people in having ignored repeated leftist calls for a general strike. He also denounced several searches of church offices around the country in the past week by armed forces.

A spokesman of the Salvadoran Human Rights Commission here, which keeps track of human rights violations with a running count on victims of political violence, said the 1980 death toll of political fighting here was 13,197.

There were reports of guerrilla advances Sunday in the southern province of Usulután but these could not be immediately confirmed.

In other developments Sunday, the Salvadoran Embassy in Guatemala issued a communique accusing the Soviet Union, Cuba and Nicaragua of "violation of the principles of international law" through direct intervention in the domestic and foreign affairs of El Salvador. The three countries, according to the embassy statement, are involved in a "misinformation campaign" aimed at "relaying a false and negative image of the Salvadoran situation."

Embattled El Salvador has been caught in a tug-of-war between leftists and rightists who are vying for power and want to topple the military-civilian junta now in power.

Meanwhile, an official spokesman announced here that about 150 persons died in weekend clashes between troops and leftist guerrillas. Though the insurgents appeared to have failed in their efforts to overthrow the government, they might try to stage a spectacular attack when Ronald Reagan takes over as U.S. president.

Seven killed in Guatemala violence

GUATEMALA CITY, Jan. 19 (AP) — Political violence in Guatemala claimed at least seven victims over the weekend, including two town officials, a retired army officer and two guerrillas.

Observers here attributed the slayings to the continuing wave of political bloodshed that last year claimed thousands of lives in this central American nation to the west of embattled El Salvador.

A Guatemalan armed forces spokesman said Sunday the guerrillas died when they and 18 persons they called "subversive delinquents" ambushed a military patrol in the

village of Sacala, 43 miles west of the capital.

San Pedro Sacatepequez Mayor Jose Luis Romero, 42, was bedridden in a hospital some 155 miles west of the capital when unidentified gunmen forced their way into his room and shot him Saturday, authorities said. The mayor was in the hospital for treatment of gunshot wounds received earlier this month in an assassination attempt.

In Villa Nueva, 18 miles south of here, men armed with machine guns shot and killed Jose Timoteo Davila Mencia, 38, a local municipal official, he said.

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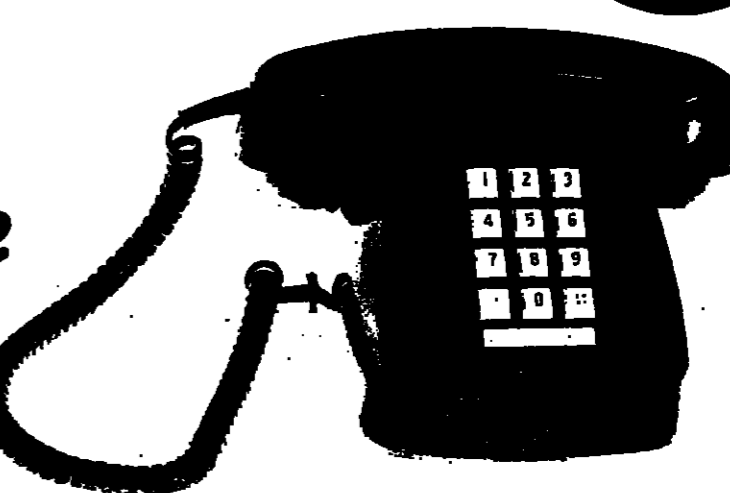
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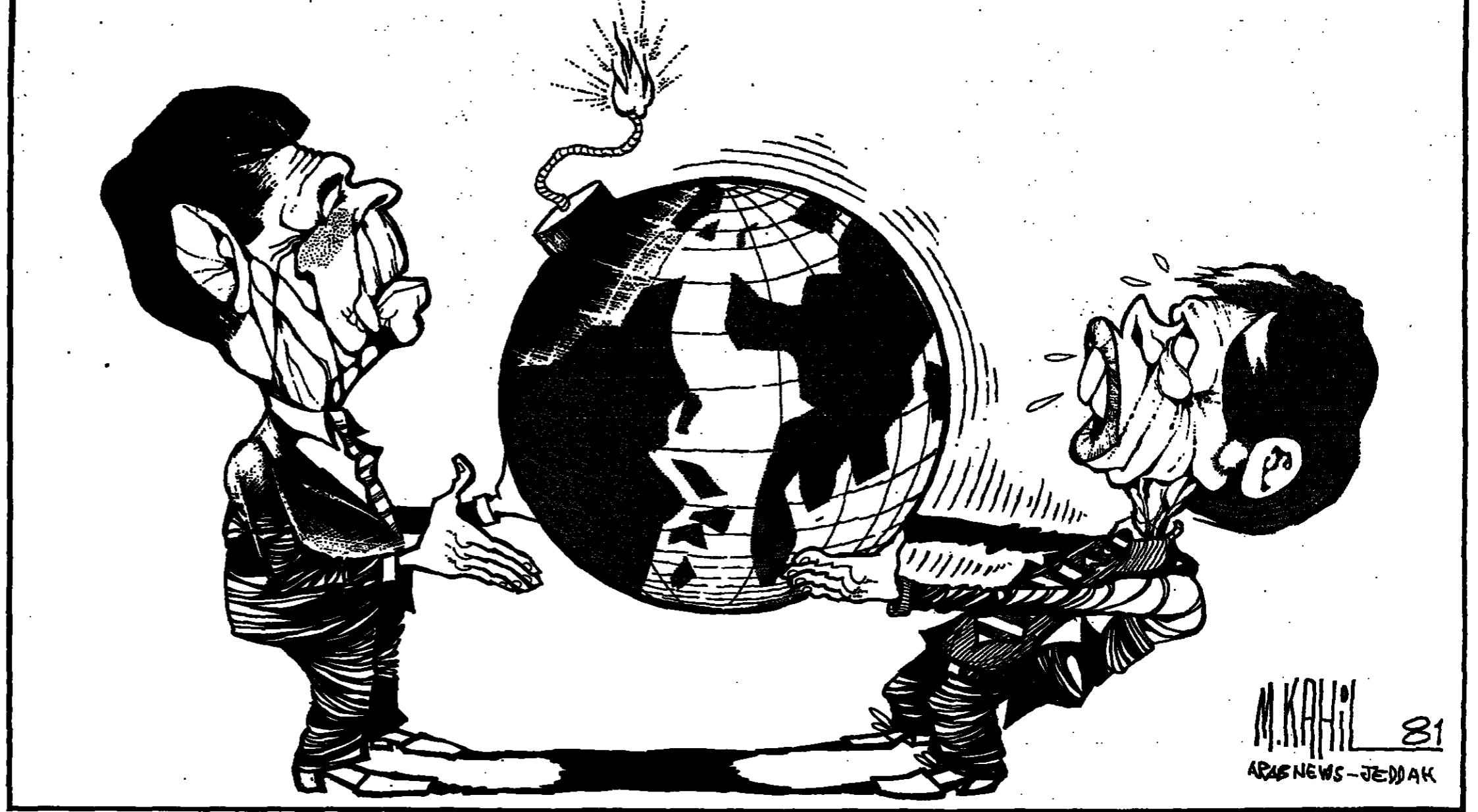
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Who does Kissinger think he is ?

By Anthony Holden

WASHINGTON — A TV mogul, an aging New York socialite, a self-employed writer of memoirs and assorted wives and hangers-on — happy wanderers by private jet around the Middle East — do not a foreign policy make. That is the verdict from Ronald Reagan's transition headquarters in Washington on Henry Kissinger's latest, self-propelled burst of shuttle diplomacy.

"Who does he think he is?" a member of Reagan's real foreign policy staff is said to have asked recently on scanning the latest batch of headlines from Mogadishu and points north. "He thinks," replied another wearily, "that he's Henry Kissinger."

Edmund Muskie is still the U.S. secretary of state, is soon to be replaced by Gen. Alexander Haig. Zbigniew Brzezinski is still the national security adviser, soon to be replaced by Richard Allen. Sol Linowitz is still the special ambassador to the Middle East, soon to be replaced by...

Jimmy Carter, come to that, is still the president of the United States, to be replaced today by Ronald Reagan. Yet it is none of the above who is currently cavorting around the Middle East, exchanging back hugs with "my old friends" Anwar Sadat and Menahem Begin, calling for the stationing of American troops in Egypt and the involvement of Jordan in the Camp David process.

It is a cunning political entrepreneur, attempting to demonstrate to the incoming administration that his services remain indispensable.

"Oh, no," Kissinger told reporters in Cairo on New Year's Eve, asked if he was angling for Linowitz's job. "I am available for advice and specific assignments of limited duration. I do not think I would be most useful in the detailed implementing negotiations of the autonomy talks."

There are those on Reagan's staff who do not believe Kissinger is at his "most useful" dashing off to the Middle East before any of them get the chance, and sounding off in authoritative tones, content to let the world delude itself that he is an official emissary of the president-elect. That, most emphatically, he is not.

The first major revolt within Reagan's own party would follow hard on any announcement of an administration job for Kissinger. The architect of détente and initiator of the SALT II treaty if anathema to the Republican Right, currently riding high. To the Left, of course, Kissinger remains the "war criminal" of Vietnam and Cambodia.

The flying doctor is traveling, if truth be known, as a guest of William Paley, the 79-year-old boss of the CBS TV network. Their aircraft is a private CBS jet, though Paley is personally footing the bill. Among their traveling companions, apart from their wives, is a New York party-giver called Brooks Astor, who hosted the only New York dinner attended by the Reagans since November's election victory.

It was last July, according to Paley, that the two men first planned a new year jaunt around the Middle East, solely for "information and pleasure".

The trip, a CBS spokesman said, "has no political significance at all." Yet such is the Kissinger magic that Paley himself is now being mentioned as a successor to Linowitz.

Kissinger has said he will report back to Reagan on his return, but that is the full extent of his present authority. He has no mandate to speak for the new administration.

Even as Kissinger summoned a press conference in Cairo to deliver himself of his views on King Hussein's role, Richard Allen was meeting in Washington with the Jordanian Ambassador and the Commander-in-Chief of the Jordan Armed Forces, Sha'rif Zaid Ben Shaker.

Said Kissinger in Cairo: "It is time for Jordan to become directly involved in the Camp David process." Said Allen in Washington: "We discussed all possibilities for strengthening bilateral Jordanian-American relations". Asked if Hussein would be visiting Reagan in Washington soon, Allen refused to be drawn. Asked if Kissinger's statement reflected the president-elect's own views, one of Allen's staff said: "I don't know."

President Carter learned the hard way, only recently, that Hussein will not easily be drawn into the Camp David process. If Reagan is still mulling over another try, as seems likely, Kissinger's relentless pursuit of headlines won't have helped much. Sadat is actively opposed to Hussein's involvement before the autonomy dispute is settled. Will Henry prove to have caused a rift between Sadat and Reagan, before they have even met?

That is believed possible by those around Allen, who is privately described as "fuming." Haig was too busy with his bumpy Senate confirmation hearings to pay much attention, and he anyway owes to Kissinger his rapid rise to his sometime mentor's old job. Allen, by contrast, was axed by Kissinger from the Nixon White House in 1969, when he had scarcely had time to locate his desk. Now his old

adversary is again hogging the limelight, and interfering with his well-laid, long-maturing plans. It seems also that Kissinger, with characteristic omniscience, is trying to pressure U.S. foreign policy in the direction he believes it should take.

The Hussein issue part, most of what he has said does reflect what is known of Reagan's thinking, though the president-elect might have liked a chance to say it himself. Kissinger's conduct is bound to be casting him, in the eyes of much of the world, as ventriloquist to Reagan's dummy.

This, too, say some transition staff, may not be altogether accidental. Reagan and his new cabinet are conspicuously lacking in foreign policy experience. And, Kissinger seems to be held in even greater regard abroad, notably in Europe and the Middle East, than he is these days in the United States. He is at his "most useful" — to himself, anyway — when publicly reminding the new administration of this fact.

A perceptible weariness exists here with Kissinger's continuing portrayal of himself as a national monument, as much an American institution as the Statue of Liberty or apple pie. Yet he has retained undoubted influence; his support of SALT II was audaciously courted by Carter, and his evidence before the Senate hearings was pivotal in stalling the treaty's ratification. In a curious way, he was contrived to wield even more clout out of office than in.

He has certainly made more money. (Hence, it is supposed, his new preference for "assignments of limited duration"). The first volume of his bulky memoirs — volume two is still being carved on the mountain top — netted him more than \$5 million. On the lecture circuit, he can command \$15,000 for half an hour — plus first-class travel for himself and a retinue of six, including a posse of bodyguards who cost him \$200,000 a year, and who are designed to persuade the world that he is still important enough

to be shot at.

Kissinger's remorseless return to center-stage — regardless, almost, of which party is in power — was slowed somewhat last summer by his role as Gerald Ford's intermediary with Reagan at the Republican Convention.

In seeking to set up a "co-presidency," which would have left Reagan few foreign policy duties beyond the proposing of toasts at state banquets, Kissinger was far too conspicuously negotiating himself as much as Ford back toward power.

The failure of his scheming was greeted with great satisfaction by the party's right wing, notably such now all-powerful Senators as Jesse Helms of North Carolina, who were barely restrained by Reagan's floor-walkers from booing Kissinger on network TV as he mounted the speaker's podium.

It was these and other irate factions who made it impossible for Reagan to return Kissinger to the State Department, where his combination of experience and expertise are now in short supply. But the margin of Reagan's landslide victory has left him more room for maneuver than expected.

Reagan, unlike his embryonic foreign policy team, does not seem too dismayed by the sight of this self-appointed John the Baptist preparing his way into the uncharted waters of statesmanship. Who better to reassure major world leaders not to be alarmed by the new president's complete lack of experience in foreign affairs.

Kissinger's eager loquacity fits well with Reagan's happy-go-lucky policy of saying nothing himself, busting instead between his butcher, his barber and his tailor, while all and sundry produce an endless flow of statements, many of them contradictory, on his behalf.

Henry Kissinger's dreams of future glory may depend on the extent to which Reagan maintains this reticence after he is installed in the White House.

CARTER'S PERFORMANCE

Yesterday was Jimmy Carter's last day as president of the United States. He leaves back to Plains, Georgia Tuesday to his peanut business wondering, possibly, if it all has been worth it.

Jimmy Carter has already taken leave of the nation in a television broadcast — one which was, in sophistry and vagueness, not at all untypical of him and his administration. Audience reaction, if any went so far as to actually react, could not have been more than pity, and a wish that he had chosen to leave office silently.

The burden of his speech was that the world faces three main challenges: First, the rising stockpiles of nuclear weapons throughout the world. Second, the threat to mankind's natural environment. Third, the question of human rights. On none of these Carter's performance has been particularly impressive. Silence on them would have indeed been golden.

On the nuclear weapon front, the United States is still, and by far, the biggest stockpiler. It was its Congress which blocked SALT II; and it is its technology which, ceaselessly, pushes forward the limits of destructiveness of both nuclear and non-nuclear weapons.

As to the threat to nature, one could say that Carter's presidency hardly made a difference to the rate in which the environment of America has been polluted by industry. It is true that what comes after him in this respect might be worse, but he himself failed dismally to live up to his promises.

On human rights, each corner of the earth has its own sad story to tell. Our own still wonders what "human rights" can mean when a whole people such as the Palestinians can go on for decades with their most essential rights denied, and with the United States aiding and abetting those who usurped those rights.

A PROMISE OF REALISM

U.S. State Secretary — designate Gen. Alexander Haig says that, before formulating his country's line on the problem of the Middle East, he will have to account of the facts of the case as they present themselves. Before that, he had expressed the view that the Palestine Liberation Organization contains some "moderate" elements. The Arab side, while recognizing that it is too early to form a proper appreciation of the new administration's line, can nevertheless see in these two indications a welcome promise of realism.

Haig has now overcome the challenges directed by those opposing his appointment in the congressional confirmation hearings and will therefore be able to start his duties on time as the new administration takes over today.

His chief Reagan, as is well known, has said many things about the Arab-Israeli conflict which alarmed the Arab world. But it is possible that was more electioneering talk than anything else.

Both Reagan and his secretary of state have repeatedly asserted their commitment to the security of Israel. This is to be expected. But both have also given hints of a more realistic approach to the problem of the area, one which would be more suited to serve America's real interests.

Letter to the editor

Dear Sir,

As a regular reader of *Arab News* I sincerely admit that it has certainly widened the horizon of my knowledge of the present-day world, and specially of the Middle East. I find special interest in your columns of "Comment", "Good Morning" and "Prayer Timings". But to speak frankly, I feel discouraged when I find no prayer timings for Tabuk.

Would you be so kind to include the prayer timings of all other important places of Saudi Arabia including Tabuk?

With best regards,

A.K.M. Shamsuddin
BLS-199
J & F (O) Ltd.
P.O. Box 267
Tabuk, K.S.A.

EDITOR'S NOTE: Thank you for your interest in *Arab News*. As of today prayer times have been inserted for Tabuk.

ARAB NEWS welcomes letters from its readers. The letters, preferably typed and having full address, may be edited for space and clarity. They should be addressed to:
THE LETTERS EDITOR,
ARAB NEWS
P.O. BOX 4556
JEDDAH, SAUDI ARABIA

Saudi Arabian Press Review

Newspapers Monday led with the Islamic Foreign Ministers' conference in Taif, highlighting its resolution to change the name of the Organization of Islamic Conference and its flag. They also gave prominence to their choice of agenda topics for the Islamic summit conference. In a lead story *Al-Naba* covered an exclusive interview with Crown Prince Fahd who said the Mecca summit would be a historic gathering and a prelude to start for the building of the nation's future.

King Khalid's arrival in Taif in preparation for the welcome of Islamic leaders was front-paged by the newspapers, which also highlighted a reported statement by President Abolhasan Banisadr of Iran in which he said that Iran would reconsider its stance on non-participation in the Mecca summit. In a page one story newspapers reported that Iran and the United States have agreed on the release of the U.S. hostages. *Al-Naba* gave front-page coverage to a report on Turkey's warning to Israel to close down its diplomatic mission in Turkey within a month and a half from now. Iraqi President Saddam Hussein's reported declaration that he would not close the door before the Saudi Arabian efforts to ensure Iran's participation in the summit.

Newspaper comments concentrated on the meeting of the Islamic foreign ministers, and reiterated the historic role being played by Saudi Arabia in the service of Islam and Muslims. The papers referred to Crown Prince Fahd's recent view in which he dealt with the issues of the Islamic world, and said that a clear vision unfolded before the leaders of the Islamic world came after Saudi Arabia's enduring efforts with brotherly states and after everyone became convinced that the resolution of the issues has become a pressing necessity today.

In an editorial, *Al-Jazirah* noted that the upcoming Mecca summit would be unique in the history of Islam, as the leaders of the Islamic world would meet on one platform to trash out the problems of the nation. The paper recalled the second summit which was held in Lahore in 1974 and said it had crystallized the concept of Islamic solidarity and joint Islamic action. It also made a reference to the meeting of the Committee on the King Faisal International Prize and said its coincidence with the meeting of the foreign ministers and the Islamic summit would be credited to the force of Islam.

Al-Yom observed that the Islamic nation awaits decisive resolutions on their pressing issues. It emphasized the need for removing petty differences and working for Islamic unity and solidarity. Islam, the paper noted, would continue to remain the strongest force uniting Muslims and helping them

play a tangible role in the solution of pressing issues which have bedeviled the Islamic world at present. It urged the Muslim leaders to make an assessment of the real value of their meeting in the proximity of the House of God and to benefit from its spiritual atmosphere in realizing the aspirations of the Muslims of the world.

In a similar tone, *Al-Bilad* reviewed the glory of Islam and called upon the Muslim leaders to take resolute measures to restore the honor and dignity of Muslims and help them live in an atmosphere of peace, security and prosperity. The paper said it was confident the Muslim leaders would be able to realize the aspirations of the Islamic world.

Al-Naba commended the way in which Crown Prince Fahd defined the meaning of the holy war, saying the explanation was significant in view of the fact that the summit conference would be held soon to adopt a strategy on this matter. The paper urged the summit conference to rise to the level of responsibility placed on it, so that the Islamic nation could achieve peace, honor and dignity. It expressed confidence that the summit would be able to achieve the cherished goals especially since it is going to be held

with all resources available at its command.

Al-Riyadh also dwelled on the crown prince's interview, giving prominence to his stress on the state's keenness to patronize smaller establishments and modest capitals, as they also form a broad base for continued development of the country.

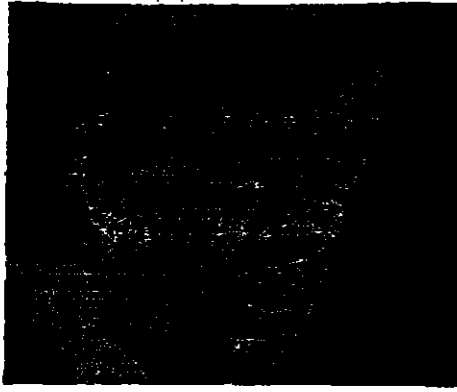
Dealing with Prince Fahd's interview, *Al-Madina* observed that he gave a clear vision analyzing the historic turn the Islamization is about to take now. The paper reaffirmed that the lessons of the Islamic history urge Muslims to gather strength by casting all forms of dissension and rifts among themselves.

Andalusia was lost to the Muslims and Islam was dissipated from that part of Europe only due to mutual rifts and split in the Muslim ranks, it added.

Al-Naba dwelled on a special interview with the crown prince and declared that he has clarified the concepts on which Saudi Arabia bases its Arab and Islamic policy. The paper expressed the hope that a correct understanding of the points discussed by Prince Fahd would tend to contribute in the realization of the cherished objectives of the Mecca summit.



Rozalya: "What's wrong? Why don't you move?"
Carter: "Oh yes, I thought they were calling us back."
Al-Madina



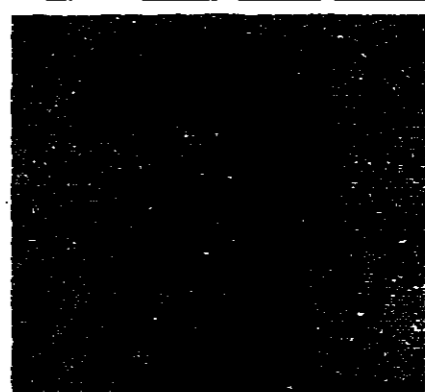
Jimmy Carter



Gerald Ford



Richard Nixon



John F. Kennedy



Dwight D. Eisenhower

The presidents speak: American inaugural addresses

By Susan Gray
Washington Bureau

WASHINGTON — A Republican senator recently quipped that Ronald Reagan wanted to be president just so he could deliver the inaugural address.

Of all the events of the inaugural celebration, it is the presidential addresses that are most remembered. America's 40th president Ronald Reagan owes much of his success in the political arena to his gift of powerful oratory.

While the addresses generally assess the critical issues of an era, the presidential orations also give insight into the thought, character and personality of a new president.

George Washington set the tone for the duration of inaugural addresses in 1789. When Washington reached New York City (then the temporary capital of the new nation), he discarded his original address and prepared a much shorter message.

In his speech Washington clearly foresaw the young nation's difficulties and appealed

to an address which has been described as "plain talk by a plain and deeply sorrowing man."

Jackson spoke directly and in the vernacular of the frontier. His style of speech, like the man himself, was in sharp contrast to the great eloquence of Monroe or the later wordy and overly dramatic tones of Martin Van Buren.

William Henry Harrison, the oldest man, other than Ronald Reagan, to take the oath of the presidency, delivered an inaugural address which was largely responsible for his death a month later. It took one hour and forty minutes for the 68-year old Harrison to give the speech during a snowfall. The new president had a cold and later developed pneumonia from which he died just a month into his term of office.

Just as Harrison was nearing the last paragraphs, his speech was interrupted for the oath-taking, one observer wrote of the 1841 ceremony. "I don't know whether they wanted to get the oath over before he died or they thought the speech had to be over."

Harrison's grandson, Benjamin, who became president in 1889, was also given to lengthy oratory. Stripped of its flowery rhetoric, the second Harrison's speech said his basic policy would be to follow the leadership of Congress.

James Polk's first remarks as president rivaled Jackson's in logic, sincerity and appeal. His inaugural address also showed a remarkable vision when he forecast in 1845 that Texas, New Mexico, California and Oregon would soon become states in the union.

When Abraham Lincoln came to office in 1861, the country was about to erupt over the question of slavery, but Lincoln, abandoning flowery rhetoric, did not dwell on the slavery problem but instead made bluntly clear his stand on the preservation of the Union.

But it was Lincoln's second inaugural address — delivered in the closing months of the wrenching war between the North and South — that has taken its place among the masterpieces of written or spoken composition.

Seeking to heal the wounds even before the war ended Lincoln offered these words: "With malice toward none, with charity for all."

Lincoln, along with early presidents, Washington and Jefferson, and 20th century chief executives Franklin D. Roosevelt and John F. Kennedy, have become the most quoted of former presidents.

Many presidents set lofty goals in their inaugural addresses. Rutherford B. Hayes in 1877 wanted to "wipe out in our political affairs the color line and the distinction between North and South." Over a 100 years later, this is still a goal, not a reality.

Presidents have also changed their philosophy from their first inaugural to their second. In 1897, William McKinley summed up his new administration's foreign policy with these words: "We want to no wars or conquests; we must avoid the temptation of territorial aggression."

During the next four years the United States fought a war with Spain and gained control of Puerto Rico, Guam and the Philippines.

At this second inaugural, McKinley discarded the assertions of four years earlier and instead attempted to defend his discarded policy by discussing the alleged advantages of the American policy of "benevolent assimilation" for the Filipinos.

William Howard Taft's inaugural speech was a reflection of himself, a staid lawyer and a jurist, his speech was long and, according to one observer, read like a detailed legal brief.

Warren G. Harding exploited the anti-League of Nations idea and spent one-third of his address stressing that "a world super-government" was contrary to cherished American ideals.

Calvin Coolidge, speaking of his inaugural in 1925, was the first president to pledge the use of American power overseas.

Herbert Hoover is best known for his inability to stem economic chaos in the early 1930s. But in his 1929 inaugural he picked up on the cherished goal of another president, Woodrow Wilson, and advanced a philosophy that is the cornerstone of today's United Nations. "The United States fully accepts the proud truth that our own progress, prosperity and peace are interlocked with the progress, prosperity and peace of all humanity."

Franklin D. Roosevelt, a spellbinding orator, rekindled the spirits of thousands of Americans huddled close to their radio sets when he said: "The only thing we have to fear is fear itself."

Unlike many presidents, Roosevelt used his first inaugural address to outline specific programs to pull the nation out of the Depression of the 1930s. With the help of Congress, he promised the nation action to ease their economic woes and he delivered.

The Point Four program of offering U.S. economic and technical assistance to developing countries was an extract from President Harry S. Truman's inaugural speech in 1949.

President Dwight D. Eisenhower in 1953 was the first president to begin his speech with a prayer, an idea he himself penned in that morning. Eisenhower was also the first president to direct his remarks specifically to listeners other than Americans.

President John F. Kennedy's address is known for its ringing rhetoric and the young

president's challenge: "Ask not what your country can do for you, but what you can do for your country."

Interestingly enough, although Richard Nixon lost a close election to Kennedy in 1960, when Nixon became president in 1969 he quoted widely from the ideals espoused by his former opponent.

Four years ago on his inaugural day, Jimmy Carter, basking in optimism, said "there is evident a serious and purposeful rekindling of confidence."

Carter went on to outline his far-reaching goals — some the nation had heard before and will probably hear again — removing the barriers of race and region and religion, providing a job for all and strengthening the American family.

This week Carter, with most of his hopes and goals largely unfulfilled, bid the nation farewell.

The stage is now set for the 53rd inaugural address of a U.S. chief executive — President Ronald Reagan.



Ronald Reagan

ory. And he seems destined to use this ability to carve a niche for himself with a memorable inaugural address.

Reagan personally has done most of the work on the speech, which inaugural planners say will take 15 minutes to deliver Tuesday. But with a sense of tradition, Reagan several weeks ago asked for a compilation of the inaugural addresses of the 39 presidents who have preceded him.

If Reagan follows the traditional philosophy of a presidential inaugural address, his speech will be a stirring summation of his hopes for the nation, of the goals he will pursue and of the dreams he hopes to realize.

Inaugural planners do not expect Reagan to outline specific points of legislation, but the speech will put a stamp of his personal philosophy on the new administration.

Reagan is also expected to make a plea for national unity a call for the people to bind up their political wounds. This call for putting national interests before political considerations has been a common thread of inaugural speeches since George Washington became the nation's first president in 1789.

Since Washington's time, the inaugural addresses have ranged from the trivial to the noble. Delivered during war and times of great crisis, the presidential speeches have paralleled the crises and concerns of the times, and in some instances have helped move the nation to higher plateaus of social consciousness.

Shortly the inaugural of President Dwight D. Eisenhower in January 1957, American newspaper columnist Walter Winchell wrote: "You could almost write a history of this nation by compiling an anthology of inaugural addresses. Many were eloquent and a few had that special quality which made them ageless."

for the elimination of internal friction. Washington's second inaugural address, given March 4, 1793, was just 130 words, and is the shortest of any presidential inaugural speech.

Elected to the presidency by the House of Representatives the electoral balloting resulted in a tie between himself and Aaron Burr, America's third president Thomas Jefferson save an address marked by conciliatory tones toward the opposing party.

Jefferson walked up a muddy Pennsylvania Avenue to the unfinished Capitol where he outlined his views of a more decentralized federal government.

His successor, James Madison, delivered his second inaugural address in 1813 while America was engaged in a second war with "Mother England." The new president used the moment to turn attention from the young nation's own shortcomings and to inflame public opinion against the common enemy — England.

Many of the phrases and philosophies of America's early presidents have proved timeless. Upon becoming president, James Monroe called for a "strong national Army and an adequate Navy, backed by a military trained and ready for quick action."

His remarks almost accurately parallel the present military force system in the United States — a regular Army, Navy and Air Force backed by trained reservists.

John Quincy Adams was the last of the early aristocratic presidents and the men who succeeded him as chief executive were from diverse backgrounds, educational levels and government experience.

The first president of the common man, Andrew Jackson, went to the inaugural podium in ill health and grieving over the death of his wife a month before, but he deliv-

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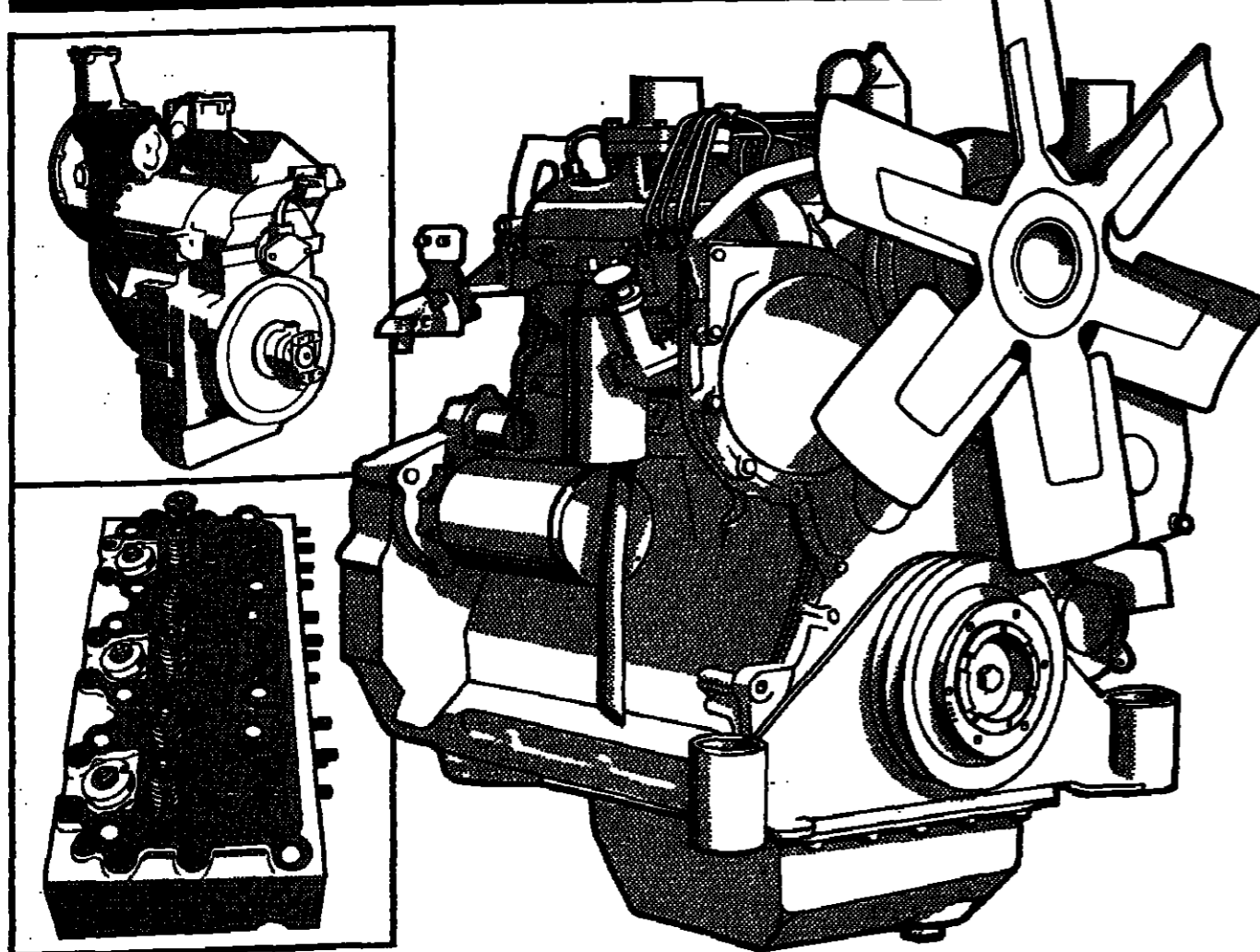
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Enroe and Fleming too good

Borg whips Lendl for crown

NEW YORK, Jan. 19 (R) — Bjorn Borg of Sweden crushed Ivan Lendl of Czechoslovakia 6-4, 6-2, 6-2 Sunday to win the Prix Masters Tennis title for the second successive year.

on serve for Lendl. Borg's neat anticipation was also a key factor. Time and again he guessed right on would-be winners from Lendl, enabling him to return solid shots, and he was uncanny in anticipating the young Czechoslovak's movements on defense.

preferring to rally from the baseline. It was Borg who advanced more often to score with volley winners, eight during the one-hour 57-minute match. Lendl's main strategy was to drive hard-hit, sharply angled groundstrokes to the corners, but often Borg retaliated by smashing back crosscourt shots on the run for outright winners or inducing errors with his well-angled returns.

Slams record ton habbaz toils in vain

DDAH, Jan. 19 — Even a record ton of shahbaz failed to stop Saudi losing their unbeaten record as they crashed to Shalimar by 44 runs Friday in Jeddah Cricket League.

ing the Shalimar total. Former Pakistan test player Afaq finished with 5 for 49 and although the middle-order batsmen battled gamely the day finished with Shalimar comfortable victors.

Lendl said Borg's outstanding defensive play was largely responsible for the result. "He was returning everything," he said. "I wasn't serving badly and did not play a bad match."

etzke wins golf title

ALM SPRINGS, Jan. 19 (AP) — Bruce etzke, the leader all the way, turned back Pate with a solid, 3-under-par 69 and the Bob Hope Desert Golf Classic Sunday with a tournament-record score.

N.A.I. continue to lose their early wickets too cheaply, this time the first three batsmen falling to the SAPL. Int. attack for only 15 runs. Chasing the SAPL total of 121, N.A.I. look to be heading for defeat as they struggled to 83 for 7 but an undefeated 32 by Nadeem gave N.A.I. a three-wicket victory.

Brazil won the first International Junior Soccer Tournament for all-stars beating Paraguay 2-1 in a game that ended in confusion here Sunday afternoon. The loss left Paraguay in second place.



ALL SMILES: Bjorn Borg is all smiles as he holds aloft the Volvo Masters trophy he won beating Ivan Lendl on Sunday.

Leavell helps Houston squeeze past Denver

DENVER, Jan. 19 (AP) — Moses Malone scored 37 points and captured 19 rebounds Sunday afternoon, but it was Allen Leavell's jumpshot from the corner with 1:14 remaining that proved decisive as Houston squeezed out a 98-97 National Basketball Association victory over Denver.

Maxewell scored 22 points each, and he Boston Celtics rallied down the stretch for a 98-96 win over the Los Angeles Lakers.

Ireland routs Denmark

DUBLIN, Jan. 19 (AFP) — Ireland's new-look team opened their group "B" campaign in the Kings Cup Tennis competition Sunday with a 3-0 success over Denmark at the Fitzwilliam Club.

Jaeger triumphs

KANSAS CITY, Jan. 19 (AP) — Second-seeded American Andrea Jaeger beat Martina Navratilova 3-6, 6-3, 7-5 Sunday to win the \$150,000 Avon Tennis Championships.

Three share lead

WJK-AAN-ZEE, Jan. 19 (AP) — Romanian grand master Florin Gheorghiu, Dutch champion Jan Timman and Soviet grandmaster German Sveshnikov shared the lead in the "Hoogovens" Chess Tournament after the event's third round Sunday.

Soccer Results

Table with columns for Spanish First Division, Portuguese First Division, and Italian First Division, listing teams and scores.

Brazilians supreme

RIBEIRAO PRETO, Brazil, Jan. 19 (AP) — Brazil won the first International Junior Soccer Tournament for all-stars beating Paraguay 2-1 in a game that ended in confusion here Sunday afternoon.

Advertisement for 'The Kingdom's Biggest, Most Modern DRYCLEANING AND LAUNDERING PLANT' featuring a large image of a shirt and detailed text about services and contact information.

Advertisement for 'Middle East Construction Exhibition' at Jeddah Expo Center, Kingdom of Saudi Arabia, 15/21 January 1981, including a map and contact details.

Advertisement for 'ELECTRICAL CABLES' by INDECOM, offering West European Quality and competitive prices.

Advertisement for 'WATER PROOFING' services, including coatings, membranes, and cellular concrete insulation.

Advertisement for 'OUR BUSINESS IS GLASS' by INDECOM, listing a wide range of ex-stock products and skilled personnel.

By developing broad economic base

Industrial construction aids Kingdom

By a Staff Writer

JEDDAH — Construction in the Kingdom has been an all encompassing factor in development and modernization. There are very few, if any, areas in which construction has not touched the lives of every citizen in Saudi Arabia. Construction efforts range from agricultural development to road transportation networks and from commercial housing to parks for people to enjoy.

However, a major push in construction has been to establish industrial and manufacturing industries in the Kingdom in order to develop a broad economic base. The Kingdom's third five-year development plan projects industrial city growth in Riyadh to go from 451,028 square meters to 21 million; in Dammam, from 994,653 square meters to 24 million; in Mecca to 759,000 square meters, in Qasim, to 1.5 million square meters and in Hofuf to 1.5 million square meters. In Jeddah, the industrial city's area leaped in size from 3.3 million square meters to 5.5 million square meters in the third phase of develop-

ment last year. Under construction are 45 factories with 80 already operating and 100 planned.

Manufacturing companies received a boost in their establishment from the Saudi Industrial Development Fund, which was established in 1974 with SR500 million in capital. SIDF provides long and medium-term credits up to 50 per cent of the total cost of the plant. Credits have no interest, with only a two per cent administrative fee. The loan is for 15 years. For the year ending November 1978-79, SIDF committed SR987 million with 111 companies applying for funds. In five years, SIDF has issued 507 loans to existing companies with an average of 80 workers and SR9 million in capital.

In addition, the government is building a cluster of export-oriented, large-scale hydrocarbon and mineral-based industries with a view to diversifying the country's sources of income, increasing value added from the petroleum sector and building technical cadres of Saudi nationals who could contribute to the overall development of the Kingdom.

According to the Saudi Arabian Monetary Agency's 1979 annual report, four organizations are involved in the diversification drive. These companies are the Royal Commission for Jubail and Yanbu, the Saudi Basic Industries Corporation (SABIC), Petromin and Aramco.

The Royal Commission is responsible for building the physical infra-structure at Jubail and Yanbu. SABIC is entrusted with the task of implementing a host of petrochemical and metallurgical projects in participation with foreign enterprises. Petromin is charged with the responsibility of setting-up a number of export-oriented oil refineries and East-West oil pipeline to supply the Yanbu refineries complex with crude oil. Aramco has been authorized by the government to design and build an extensive gas gathering and processing program, which upon completion will gather about 3 billion cubic feet per day of associated gas — whose by-products will include fuel gas for industries and desalination plants, ethane for use as feedstock for planned petrochemical projects at Jubail and Yanbu and propane, butane and natural gasoline for export through Yanbu and Jufaymah.

The goal of the Royal Commission for Jubail under the Third Five Year Plan is to complete the industrial and community infrastructure that are required by the public and private sector for energy, industrial and commercial projects. That work is proceeding with \$7 billion already spent this year and another \$14 billion allocated, according to Dr. Jameel Al-Jishi, director general of the Royal Commission for Jubail, recently quoted in *Saudi Business* magazine. In its original state, the 160-square kilometer project site was nearly impassable, but since 1977, 86 million cubic meters of earth have been moved. At the peak of activity, 2,000 people and 1,000 pieces of major equipment were dedicated to the task of transporting, compacting and grading soil.

At present 65 square kilometers or 83 per cent of the industrial area will have been prepared, and 30 square kilometers of community area has been prepared. In the community area, eight square kilometers or 83 per cent of the industrial area has been prepared. During the next five years all 80 square kilometers of the industrial area will have been prepared, and 30 square kilometers of community area. Roadbuilding followed closely on the heels of site preparation, with the first contract being awarded in August 1977, reports *Saudi Business* magazine. During the Second Five Year Plan, 4.7 kilometers of expressways and 62.9 kilometers of feeder roads were built at a cost of SR400 million. All roads are being built complete with drainage, lighting, signaling and all safety requirements.

Construction will begin soon on Jubail's

first freeway. During the next five years, 23 kilometers of freeway will be completed, along with 49 kilometers of feeder roads. The total planned over the 20-year span of development is 17,167 and 791 kilometers respectively. This includes 580 kilometers of roads built in Al-Montekah Al Sakaniyah, the eight district residential section of the project. Twenty-four cloverleaf interchanges will help keep traffic flowing smoothly.

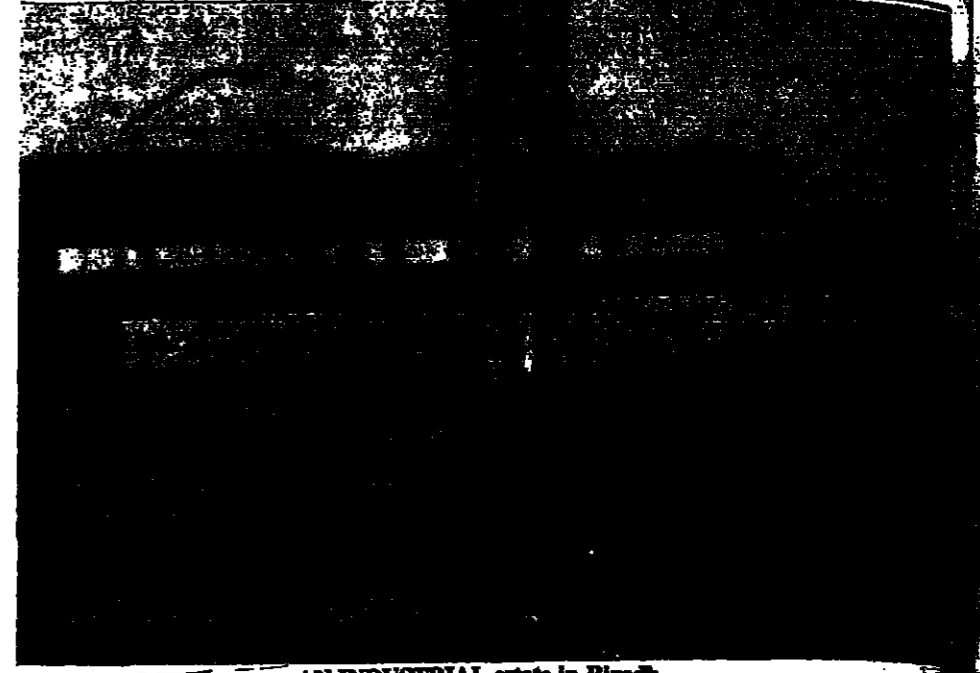
Other Jubail projects include 66 kilometers of conveyance lines that were installed during the Second Five Year Plan, with 37,000 cubic meters of storage. In addition, design of the electrical distribution system for Jubail is being done by two entities. SCECO is designing the primary high voltage system, including all feeders to the primary industries — the Royal Commission's Architect/Engineers Black and Veatch Arabia are designing the infrastructure system within the industrial area and all the distribution system within the community.

In Nov. 1979, King Khaled dedicated the Yanbu industrial complex and presided over ceremonies dedicating the expansion of the Yanbu commercial port and the SR1.7 billion Yanbu-Medina Phase I desalination and power complex. Work started on the Yanbu industrial complex three years ago under the supervision of the Royal Commission. The 20,000 hectare site, located ten kilometers south of the old port of Yanbu Al Badr, will have two oil refineries, a natural gas liquids fractionation plant, a petrochemical complex and export terminals for crude oil, oil products and natural gas liquids.

The jugular vein of the complex consists of two pipeline more than 1,200 kilometers long that will ship crude oil and natural gas liquids to Yanbu from the oil fields of the Eastern Province. "There are two basic philosophies behind Yanbu," Sheikh Hisham Nazer, minister of planning, told *Arab News*. "One is the economic viability of the complex. Second is the strategic aspect of Yanbu's location on the Red Sea, especially at the moment with all the problems that are taking place in the Gulf."

In addition to the industrial projects, the Yanbu complex will house eventually a new city built from scratch for 150,000 people. At the time, the King also dedicated the SR1.2 billion expansion project at the Yanbu commercial port, which now has nine berths and a capacity for handling 2.7 million tons a year of cargo. Phase I of the Yanbu-Medina desalination complex is scheduled to come into operation in February, 1982. The plant will have a capacity of 25 million gallons a day of potable water and a generating capacity of 250 megawatts of electricity.

Recently, the Saudi Basic Industries Corporation's directors approved the last of Saudi Arabia's petrochemical projects —



AN INDUSTRIAL estate in Riyadh

bringing to an end seven years of preliminary work, negotiations and bargaining with a wide variety of firms. However, SABIC also approved plans to amalgamate two planned world-scale ethylene complexes in Jubail into what will basically be one plant.

Two original projects were joint ventures by SABIC with Dow Chemical on the one hand, and Saudi Petrochemical Development Corporation (SPDC) — a Japanese consortium of 54 companies led by Mitsubishi, on the other. Dow was to have participated in a \$1.5 billion, 500,000 ton-a-year ethylene complex; the Japanese in a 450,000 ton-a-year facility. Dow and SPDC had signed interim agreements with SABIC, the former in 1977, the latter in 1979. The SABIC-SPDC complex will design and build a 300,000 ton-a-year unit for the production of ethylene glycol, which also will be jointly owned with SABIC-Dow. SABIC will have their own unit producing 130,000 ton-a-year of low density polyethylene, while SABIC-Dow will produce 80,000 tons a year of low density polyethylene and 700,000 tons a year of high density polyethylene. Industry sources expect project costs to be around \$2 billion.

SABIC's board also formally approved a roughly \$400 million methanol plant, to be built in Jubail as a joint venture between SABIC and Celanese Chemical Company and Texas Eastern Company. The plant, which will begin operations in 1984, will produce around 650,000 ton-a-year of methanol.

Meanwhile, under the supervision of the Petromin subsidiary, Petrolina, the construction of the 1,200 km. pipeline will be completed in late 1401. It will extend from the eastern oil fields to the newly-constructed storage and shipping terminal located on the Red Sea at Yanbu. The initial capacity will be 1.85 million barrels a day, and it will give the Kingdom an alternative and shorter crude oil export route for northern destinations than the Arabian Gulf shipping points or the Tap-

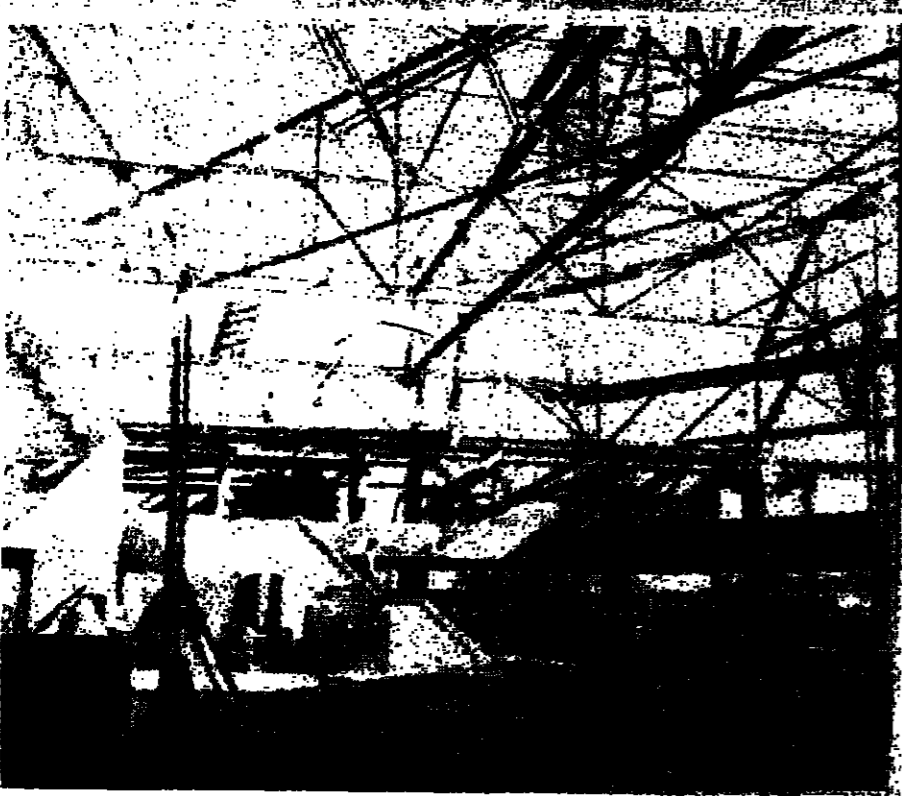
line. The East-West crude oil pipeline also will supply the crude oil for domestic and export refineries which will be completed during the Third Plan period at Yanbu.

In order to use some of the wasted natural gas, Aramco began early in the 1990s to plan and design a gas treatment center on the Berri Field. The treatment center was designed to process 6.2 billion cubic meters of associated wet gas a year.

One industrial concept that promises future work for local construction companies is the attempt by Gulf countries to coordinate industry plans. In May, 1980, Saudi Arabia, Kuwait and Bahrain took Arabian Peninsula progress in joint economic ventures one step further by signing an agreement to form a large petrochemicals company for methanol and ammonia production.

The three Gulf states have funded the company with a capital of BD60 million (SR630 million). The plant will produce 1,000 tons a day of methanol and 1,000 tons per day of ammonia when completed late in 1983. Total investment in the petrochemical complex is expected to reach \$400 million. The news of the signing in Manama, Bahrain, came two days after an announcement by Minister of Industry and Electricity Dr. Ghazi Algosabi that Saudi Arabia dropped plans for a Jubail aluminum smelter because of planned aluminum smelter expansion in Bahrain and Dubai. Algosabi aptly described the tri-country petrochemical plant agreement in which Saudi Arabia, Kuwait and Bahrain will own equal shares as "a turning point in the history of economic integration in the Gulf."

Algosabi's statement reflects the Kingdom's rapid progress in bringing to fruition agreements made by Arabian peninsula planning ministers at a conference in Doha, Qatar. The Doha conference ended with resolutions to streamline joint marketing of several industrial exports, establish central manpower training facilities and develop increased production of minerals, cement and petrochemicals.



A STADIUM under construction



Saudi Cement Company

TWENTY YEARS IN CEMENT PRODUCTION & MARKETING

CAPITAL: SR. 840 MILLIONS

INITIALLY: SR. 30 MILLIONS

PRODUCTION CAPACITY: 4325 TONS PER DAY (1.3 MILLION TONS A YEAR, WHEREAS WHEN STARTED IN 1961 IT WAS MERELY 300 TPD.)

TYPES OF CEMENT:

Since early stages of production, Saudi Cement Company had endeavoured to undertake detailed studies for the production of various types of special specification cement to suit the high salt content water and soil of the Eastern Region, in particular. Of these types of cement, the Company has been producing the HIGH SULPHATE RESISTING CEMENT TYPE V (according to ASTM C150 - 78A). The Saudi Cement Company can also produce, on request, the following special types of cement:

1. MODERATE SULPHATE RESISTING & MODERATE HEAT OF HYDRATION CEMENT TYPE II (ASTM: C150 - 78A);
2. LOW HEAT OF HYDRATION CEMENT TYPE IV (ASTM: C150 - 78A);

3. HIGH SULPHATE RESISTING CEMENT TYPE V (Tested according to ASTM: C150 - 78A) WITH HIGH COMPRESSIVE STRENGTH;

4. RAPID HARDENING CEMENT — (According to British Standards);

5. OIL WELL CEMENT

IMPORTANT CONSTRUCTION PROJECTS:

Apart from meeting local needs of Cement in housing construction, SCC's production of special specification Cement has been used in a number of important projects like, THE JIZAN DAM; THE IRRIGATION & DRAINAGE PROJECT IN EL HASSA; THE BUILDINGS OF THE UNIVERSITY OF PETROLEUM AND MINERALS. Also various other Industrial Installations like, Oil Refineries and Water Desalination Plants throughout the Kingdom.

The growth and achievements of the Saudi Cement Company have gone hand in hand with the general growth and development of the Saudi economy, and have helped the company's endeavours towards achieving effective participation in the Kingdom's booming construction industry under the leadership of His Majesty King Khalid and His Royal Highness Prince Fahad.

Head Office, Dammam: Telephone No. 83-25177 : Ext: 63 or 83-25179
P.O. Box 306: Cable, CEMENT: Telex No. 601068 SJ.

Handwritten signature or mark.



Construction show

JEDDAH — Wednesday, Jan. 21 will see hopeful businessmen pack up their stands at the Jeddah Expo Center — scene of the second Middle East Construction Exhibition. For some of the businessmen, the week will have been a glorious success — new contacts will have been made or old bonds strengthened. For others, the end of the week will mean disappointment.

Nearly 300 companies from Europe, North America, the Middle East and Far East joined leading local companies to display and demonstrate the latest products and equipment for the construction industry in what businessmen term "the most dynamic market in the world today."



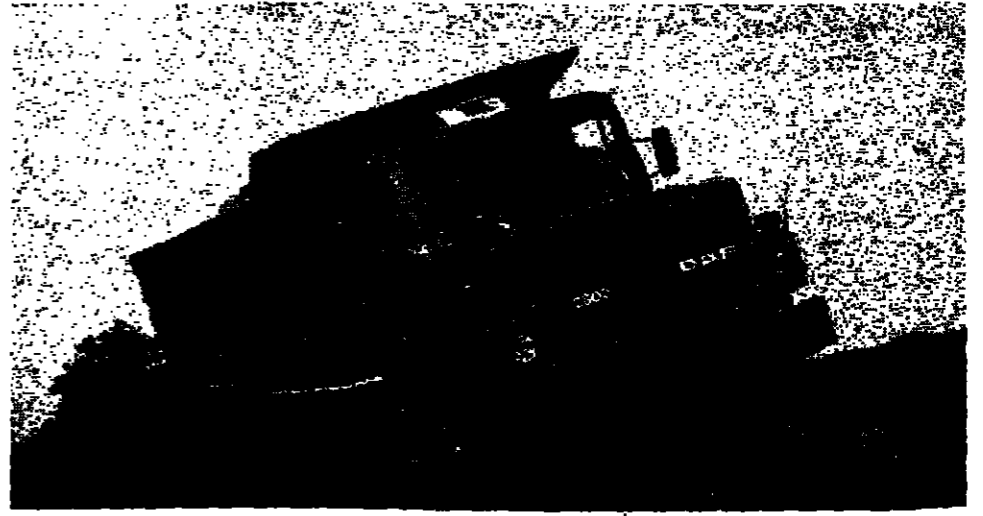
INTERIOR: Not only do companies think about the exterior of buildings and foundations, but they also do work on interior decor. Here, one entrepreneur offers floor coverings from the National Carpet Factory.



TECHNOLOGY: Although national firms have risen to become leading contenders in the heavy equipment field, foreign expertise still is needed to provide the higher technology construction within the Kingdom.



INFLATIONARY: Some of the exhibit's buildings were eye-catching and ingenious in themselves. Here, a plastic igloo sits in one corner of the exhibition grounds.



HEAVY DUTY: The exhibition's outside staging area replete with the latest in heavy machinery for earth moving projects. Pictured here is the new Dutch truck from DAF and its answer to the latest in competitive export products.

To penetrate local market

America renews drive

By Javid Hasan

JEDDAH — Buffeted by the Japanese onslaught on the Saudi Arabian market, the U.S. Department of Commerce has mounted a major drive to retrieve the lost ground. The drive includes sending out mass invitations to Saudi businessmen, acquainting them with the products of American exhibitors, making personal contacts, holding briefings and providing feedback on U.S. response comes in the wake of the exhibition boom that has peaked in the Kingdom, with major projects coming up in Jeddah, Riyadh and elsewhere. As part of the campaign, the commercial attaché of the U.S. embassy mailed about 10,000 invitations to Saudi businessmen, Mr. Madison, commercial officer of the U.S. embassy, told Arab News. Another 5,000 invitations have gone out for the electricity exhibition held next month. A reception was also held for 200 Saudi businessmen at the Jeddah Expo Center to establish personal rapport. The reception was hosted by Mr. Chester Norris, U.S. consul in the economic and commercial affairs of the U.S. embassy. Personal contacts are being supplemented by sessions arranged in connection with the exhibition coming up in the city. One session was held Jan. 14. The next has been scheduled for Jan. 15. Madison said the commercial center also

conducted surveys for the benefit of clients registered in the department of commerce. The idea was to help Saudis locate American partners and vice versa. As part of the effort the commercial center conducts a Trade Opportunities Program (TOP) which seeks to provide a Saudi businessman an opportunity to make his commercial needs known to the American supplier under a computerized system. All that one does is to contact the commercial officer of the U.S. embassy which cables the needs of the client to Washington where information retrieval is computerized. A message is then put out to the selected firms with a request for immediate contact with the prospective client. The service is free. The U.S. is also focusing on the special needs of the Kingdom in the field of manpower training. It is sponsoring the U.S. Audio-visual and Allied Educational and Training Aids Trade Mission. The eleven-member mission will present some of the latest in equipment and services. Another program under way concerns health care. An exhibition is being organized in Riyadh (Feb. 7-11) to provide information on the range of medical products and equipment available in the U.S. market. "Ten years ago most of the construction contracts in Saudi Arabia used to have U.S. participation. Today it has slid to the fourth position. We hope to retrieve some of the lost ground through these efforts," Madison observes.

Servicing highlights highway future

Roads reach to rural areas

JEDDAH — Thirty years ago the first road in the Kingdom was constructed. By the time the Second Development Plan was inaugurated ten years after the first road development program — the Kingdom had covered 8,000 kilometers of road. First and Second Development Plans have paved a strong effort in highway development. In the past decade, Saudi Arabia has tripled the length of its paved road network and increased by more than five times its rural road system. This figure also reflects the increasing importance attached to the rural roads system. Rural roads are earth-surface roads of simple construction whose purpose is to connect villages otherwise have no access to main or secondary roads which are paved. According to the Ministry of Planning report, the Kingdom has shown increasing interest not only in the development of the road network, but also in the improvement of the system. As a result there has

been a shift in emphasis toward preventative maintenance, safety and traffic flow improvements. Present conditions in the road sector have been strongly shaped by the Second Development Plan. The Plan's principal objectives were to construct 13,066 km. of paved roads and 10,250 km. of earth-surface rural roads. The roads department accomplished three-quarters of its paved road target and exceeded by more than 40 per cent its target for rural road construction. The shortfall in main road construction will be alleviated early in the next five years, according to the Planning Ministry. The government sees the needs of the highway system at present as to connect a considerable number of people to the main road network; to stress safety and to limit highway damage caused by high truck axle loading. During the next five year plan the government plans to place an emphasis on thorough maintenance to ensure maximum returns on the high capital investment in the physical infrastructure. Government policies also are aimed at expanding the highway network to areas and villages with economic and regional development potential. A major portion of the Third Five Year Plan's road construction program includes the completion of 28 road projects that were started in the Second Plan, almost half of which will be supplemented by new construction work. In addition, the new main road construction program also proposes to undertake 25 projects that will provide an additional 4,048 km. of new roads by 1985. In addition to new road construction, various improvements are planned. These include the extension of roads already open to traffic, the construction of additional overpasses, bridge and mountain passes and road-widening projects. The secondary road program for the next five years includes projects for military roads, irrigation roads and selected individual projects but most are to be feeder roads, which generally are short roads that link with main road systems. All new secondary roads will be two-laned paved roads that are intended to increase the existing network by 1,429 kms.



A BRIDGE being constructed on an island road

CARE

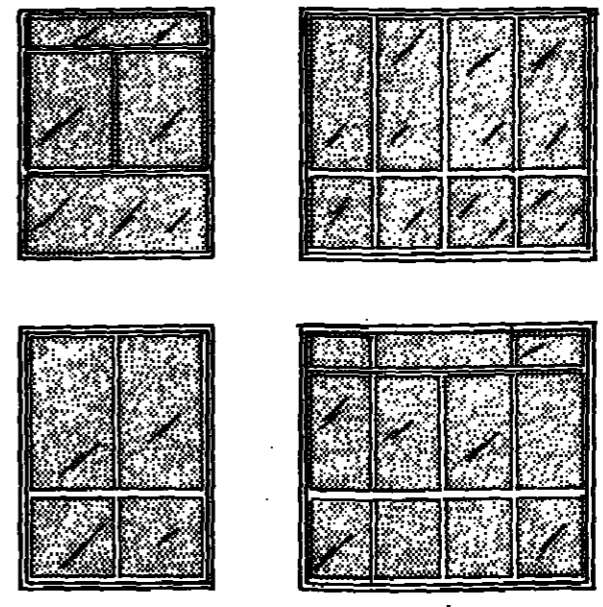
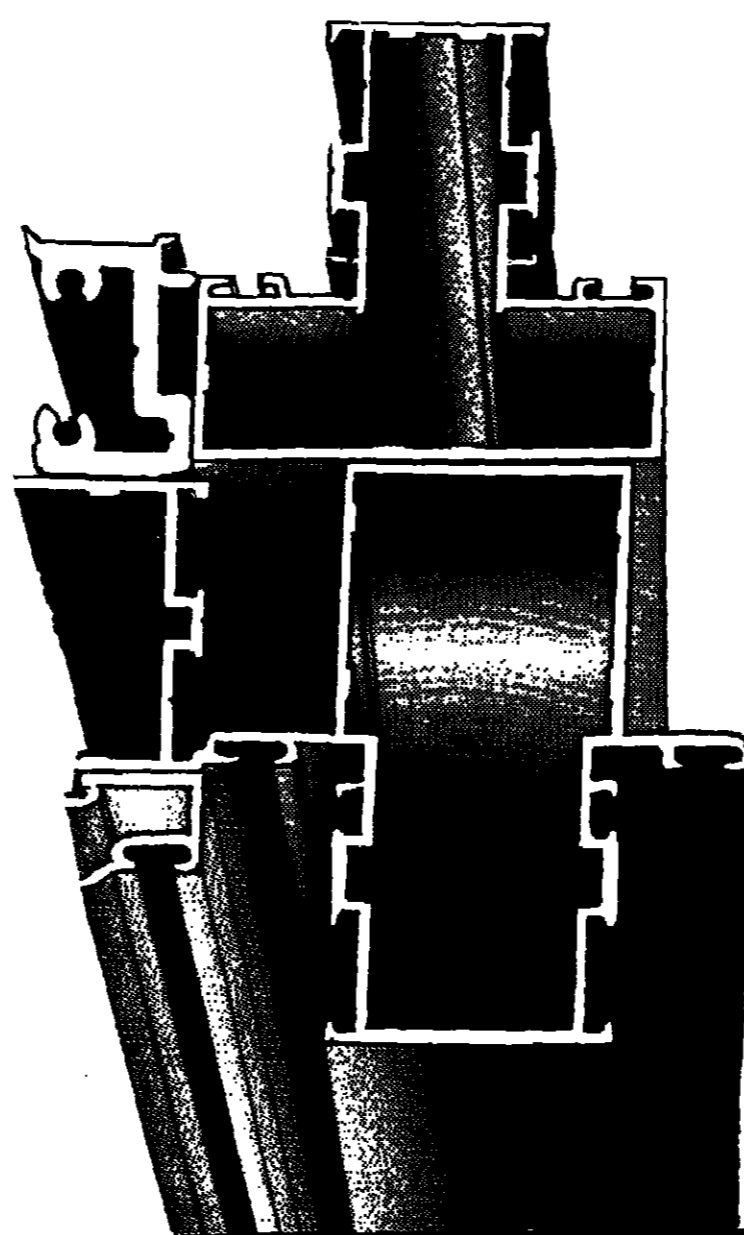
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As construction 'winds down'

National contractors face the future

By Alan Kenney

JEDDAH — Construction contracting in the Kingdom is at a dubious crossroads. The construction boom has peaked, yet with continuing commercial development and massive projects like Jubail and Yanbu there is still a future for local contractors. That is, provided they have learned from foreign expertise in the past and have organized themselves along the way.

National contractors have developed substantially in the past 20 years. According to contractors, just 10 years ago there was only a handful of national construction contractors. But during the 1970s, with the influx of large companies from abroad, many local companies formed from scratch and grew to be comparable to foreign companies. One contracting manager said companies grew 10 to 20 times their original size.

"During the 1970s, everyone became aware of opportunities in contracting. Anybody who was only into trading, went into contracting. Anybody who was just an agent got into contracting," one contractor said. Among the companies that expanded at this time were REDEC, Dallah-Avco and Al Jezira. "Now there are at least 100 companies doing \$100 million turn over. Competition is tough," the manager of a leading company said.

Companies with large foreign partners have been able to outclass wholly-owned Saudi Arabian companies in highly-specialized fields and new technology, but earthmoving and heavy construction has remained in the hands of the national companies. In addition, a division of sorts has evolved in the construction contracting market. Foreign firms deal mostly with work located in and around cities. But many wholly-owned national companies have secured the work in the country, villages and desert areas since they are better adjusted to terrain and geographical conditions.

Binladen Brothers has landed contracts for many airports and several road projects in outlying districts. Binladen-Bros., an offshoot of the parent firm Binladen Organization, has built airports ranging from SR 90 million to SR 300 million in such areas as Badana, Bisha, Al Khari, Wedj and is now building one in Jizan. The company also is constructing the highway from Taif to Jizan, which calls for covering some difficult terrain.

"Foreign participation is still the same," said Ghassam El Hussami, administrative manager for contracting and industry with Binladen Bros. He said that competition from foreign companies can be felt, but not much. "I think national companies are getting more and more jobs, perhaps because they're getting much bigger," he added.

According to Hussami, contracting firms now have to prove their ability to do a project through prequalifications and dealing with consultants. "If the contractor is not pre-

qualified he will be ruined. On one side, he has to present documents which show his experience and amount of personnel he has to do the job. On the other side there is the consultant who is making sure the job is done to his satisfaction," Hussami added. These factors combine to make the construction contracting business tougher for the companies and ensuring the ability to perform.

"It is difficult to apply for a job and get it. The client needs good qualifications. If information given by the contracting company is not adequate, we are not considered for the tender. If along the way the consultant is not satisfied, it would mean a lot of headache for the company. So we can say that accomplishing a project is no longer easy, contractors should have a lot of experience in the field," he added.

However, not many companies can meet these standards. Hussami said that the pre-qualifications were created to diversify, smaller companies and permit them to specialize in their fields, rather than get bogged down in large projects. Yet, Saudi companies are showing their ability to do jobs with a high standard. "I heard from someone in a governmental department, and who is not Saudi, that some jobs are really very high standard — and the job was done by a Saudi national company," Hussami pointed out.

Contractors point to the development of Jubail and Yanbu industrial cities as an aid for the medium and smaller-sized businesses in the future. Government provisions have been established that pick contractors according to the degree they have been Saudiized. In addition, the government and Royal Commission for Jubail and Yanbu have split all bid packages into smaller units so that the companies can deal with them more effectively. Government stipulations call for Saudi produced materials to be used whenever possible in a project.

Several aspects of the present five-year plan are meant to give Saudi contractors preference in winning contracts. In the Ministry of Planning report on the Third Five-Year Development plan the government points out that efforts to encourage the use of Saudi contractors will continue. A major step in this direction will be to encourage division of large contracts into smaller parcels. Unless the local contractors are able to execute the work efficiently, the danger of increasing project costs is inherent, the report says. However, it adds that this danger can be minimized by government contracting organizations awarding contracts to Saudi organizations which are full financial, technical and managerial partners with foreign firms; combinations of small Saudi contracting companies which may subsequently merge; and companies specialized in maintenance, electrical work and other activities.

In addition, the Ministry of Planning report stipulates that the backlog of construction has largely been met. "While the industrializa-

tion programs will require a major construction effort, it cannot be expected that construction volume will increase as during the second Development Plan, the report adds. However, the government sees as the most significant trend the continuing shift toward local contractors.

Jack Campbell, manager of marketing and estimating for Al Esayi Saif Noman Douglas, a medium-sized joint venture, said that although construction as a whole is declining there will still be enormous opportunity for local contractors. He gave as an example the Jubail and Yanbu industrial complexes, but also pointed to other developing markets. There will be government contracts — with a preference for local contractors — in Riyadh with the new embassies and diplomatic quarters, the university and a rush housing pro-

gram. For the Jeddah area, Campbell said that all the land north of the city limits is marked for commercial development.

"Construction certainly is receding, but compared to anywhere else in the world, there is a lot to offer," Campbell said. "Jeddah and Riyadh are still the biggest boom towns in the world," he added. Campbell said the big contracts with large consortium will be there and won't affect Saudis and their growth. "Everyone has a fair chance for a bid. The breaking down of projects into smaller units may slow down the scale of things, but it won't decrease the overall effort for contractors," he added.

The contractor said that many joint venture companies are using foreign workers to do the work and also are learning sincerely about construction contracting. Yet, there still are firms who let the foreigners do their 50 per cent of the work and all the sponsors do is collect their profit. When the construction market begins restricting substantially, these are the people who'll have to bow out of the business, he added.

One problem affecting the cost of a project for construction contractors is obtaining visas for workers. Every contractor still finds that craftsmen and semi-skilled laborers need to be imported. The block visas for the workers cannot be obtained until the contract is signed, but contractors find that once all contract procedures are taken care of they are only allowed a percentage of the workers they asked for. Ultimately, the decreased visa percentage and a certain proportion of workers leaving the country due to inability to adapt to Saudi Arabian lifestyles adds to the cost. "We have to plan for these things in submitting a bid, which tends to inflate the cost of the contract," one contractor said. If the bureaucracy could be a little more effective, there would be more savings in performing a certain job," he added.

Another changing trend contractors are dealing with at present is the change in hiring locales. According to Muhammad Abdullah Al-Anqari, labor now is being imported from the Far East, where companies are bidding lower prices and offer relatively cheaper

labor costs. "For the national contractor to stay competitive they must now hire from these areas instead of traditional areas like Lebanon, Turkey, Egypt and Europe," he said.

Regarding the future, Al-Anqari sees no problems for national companies. "Foreign contractors will go out of the country if there is not enough work for them, so the amount of workers will decrease," he added. The net result of this would be enough work for local national contractors, Al-Anqari said.

Abdullah Al-Anqari and Co. who have constructed building schools, hospitals, residential complexes, water supply projects and dams see the future for local companies as good if they provide a high standard of work and are well-organized. One way the wholly-owned national company is building for a more secure future is to add more Saudis to the staff and build a more "stable" work force. "Yes, we are happy about ourselves in the market, we are finishing in good time, have a good reputation and this we are aiming to keep," Al-Anqari said.

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Aramco

Aramco, the principal company developing the oil resources of the Kingdom, is the largest oil and natural gas liquids producing company in the world, and Saudi Arabia is the world's largest oil exporter. Income from oil has enabled the government of Saudi Arabia to undertake a comprehensive industrialization program and to improve the standard of living of its people.

Aramco is carrying out two major projects that will play key roles in Saudi Arabia's industrial development program in addition to its primary function of producing and exporting crude oil.

At the request of the Saudi Arab Government, Aramco set out to plan, design, construct and operate on its behalf a system to gather and process associated gas from the company's areas of operations. This Gas Program will provide fuel gas for local industry, feedstock for petrochemical plants, and propane, butane and natural gasoline for export.

The second major project that the Saudi Arab Government has entrusted to Aramco under a special contract is the planning, maintenance and management of the Saudi Consolidated Electric Company (SCECO). Aramco is at the same time a contract operator, shareholder and paying customer of SCECO. SCECO supplies electricity to the Eastern Province towns and villages, Government Gas Program as well as oil operations facilities. Moreover, SCECO will meet the increasing demand of the Jubail Industrial Complex and other industries in the area.

Because of the massive scope of Aramco's activities the company utilizes the most modern engineering techniques and equipment, and requires a continuing growth of the company's reservoir of human talents.

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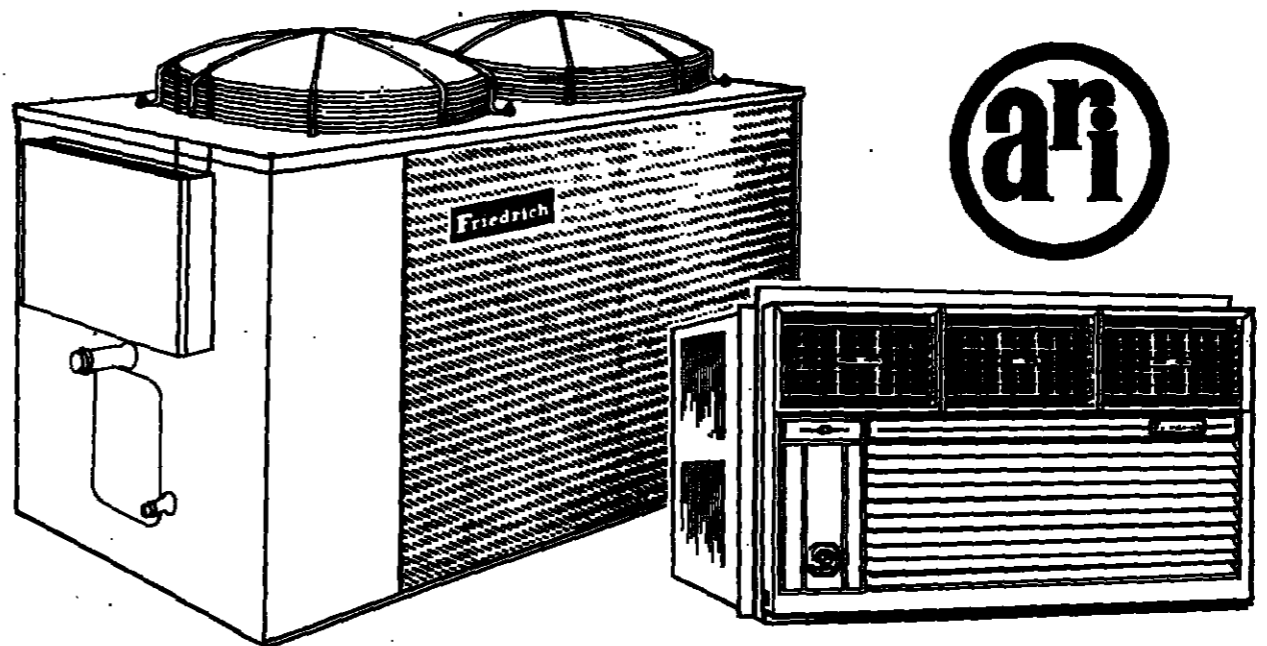
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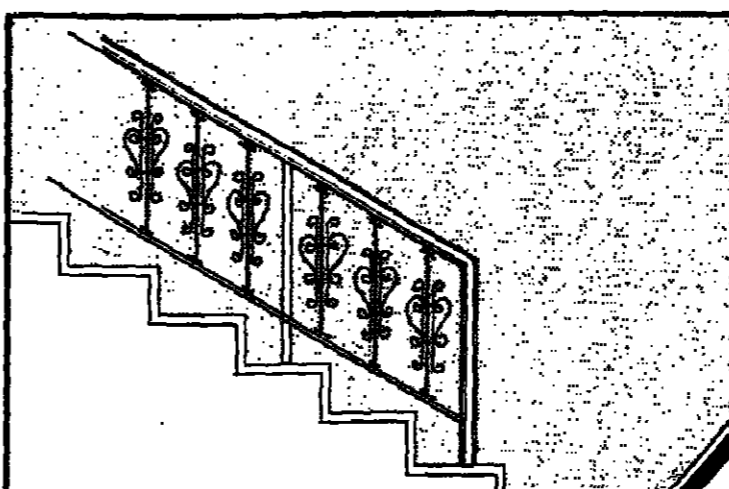
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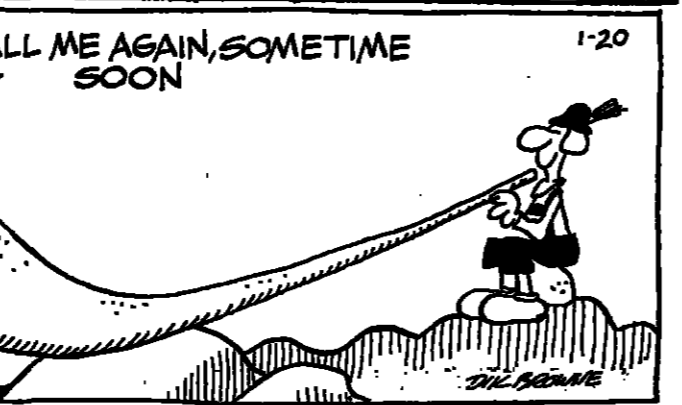
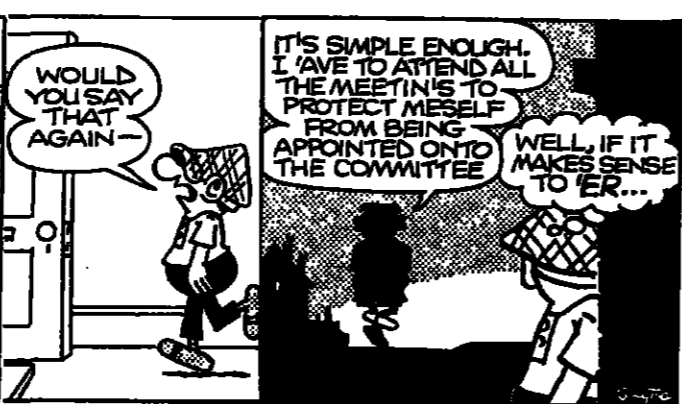
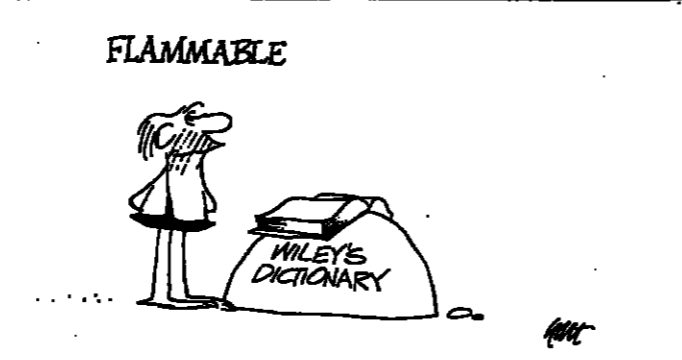
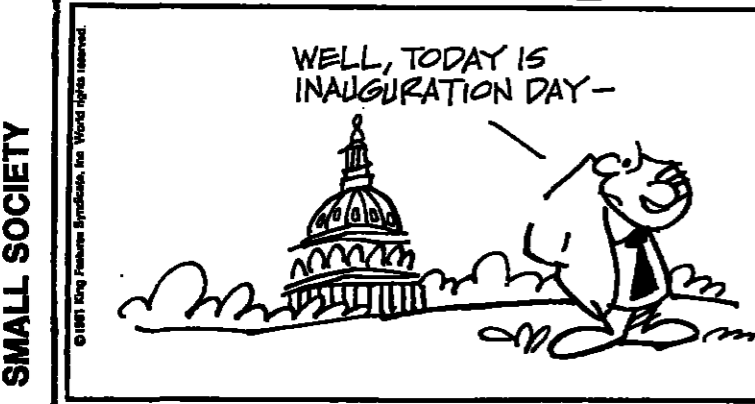
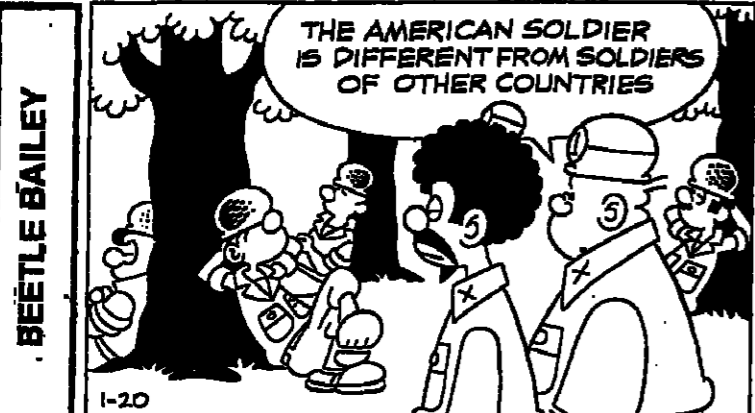
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Your Individual Horoscope by Frances Drake

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Crossword by Thomas Joseph

Crossword puzzle grid with clues for Across and Down. Includes 'Yesterday's Answer' and 'DAILY CRYPTOQUOTE'.

Believe It or Not! A glass bottle sealed as a time capsule in 1979. The Duke of Wellington who defeated Napoleon at Waterloo...

arab news CALENDAR

Table with columns for DHAHRAN TV, SAUDI RADIO, VOA, BBC, and PHARMACIES. Lists programs and pharmacy locations.

STAN SMITH'S TENNIS CLASS. POWER. MAKE SURE YOU FINISH WITH RACKET AROUND YOUR BODY. NO.

Table with columns for PHARMACIES. Lists pharmacy names and addresses.

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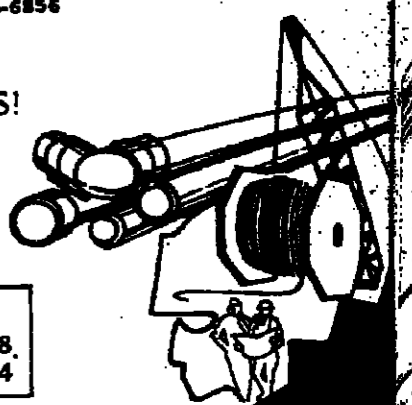
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Real border with Iran

Iraq firm on keeping seized 'Arabistan'

BEIRUT, Jan. 19 (Agencies) — Iraq has served notice that it will hold to its current lines in Iran's war-conquered oil heartland as "the real border" with Iran.

"Iraq has now reached its real border with Iran and will not pull back even if the army has to stay 10 years there," said Iraqi Information Minister Latif Nassayif Jassem in an interview published by all five Kuwait daily newspapers Sunday. The minister also said Iraq was ready to help create an independent state in Iran's southwestern oil province of Khuzistan if its ethnic Arabic-speaking community opts for independence.

Iraq claims to have conquered one-third of Khuzistan's 124,000 square-mile territory in the first three weeks of the war on the northern flank of the Gulf, which now completed its 17th week.

Iraqi President Saddam Hussein said Saturday the counter-offensive ordered by Iran's President Abulhassan Bani-Sadr was "completely crushed."

The Iraqis claim the majority of Khuzistan's three million inhabitants is ethnically Arab and calls the province "Arabistan." But Iran, which insists that only one-third of Khuzistan's residents are Arab and says the rest are Persian, has rejected Iraqi suggestions that a self-determination referendum be held in the region.

"The fate of Arabistan is to be decided by its Arab population," Jassem told Kuwaiti newspapers. "If they choose to proclaim their own fate, then Iraq will help them achieve this goal."

Iraq's counter-offensive was launched mainly in Khuzistan. Bani-Sadr discussed the outcome with Iran's supreme leader Ayatollah Ruhollah Khomeini in Tehran Sunday.

Tehran Radio quoted the president as saying after the meeting that driving the Iraqis out of Khuzistan was not "an affair to be finished in one or two days. Wars require patience, endurance and confidence." Bani-Sadr said in a recorded statement monitored from Tehran Radio in Beirut. "You also need armed forces with high morale."

Bani-Sadr said he had told U.N. special envoy Olof Palme that Iran cannot accept a ceasefire as long as any part of its territory was under Iraqi occupation. "To accept peace negotiations with part of Iran occupied is tantamount to an endorsement of the legality of aggression," said Bani-Sadr.

Bani-Sadr made a similar statement after a one-hour conference with Palme in Tehran Saturday. The former Swedish Prime Minister's six-day peace-making mission struck a dead end because Iraq refuses to withdraw before Iran awards an unequivocal recognition of full Iraqi sovereignty over the embattled Shatt Al-Arab waterway that forms the two nations' southern border.

Iraq's official Pars news agency said a group of Iraqi deportees demonstrated in front of Palme's hotel in Tehran Sunday to declare support for Iran in the war against Iraq.

Meanwhile, Iraqi forces killed 97 Iranian troops and lost nine men in fighting on all fronts over the past 24 hours, the Iraqi News Agency reported. It quoted a military communiqué as saying that an armored personnel carrier and 10 vehicles had been destroyed. One Iraqi tank and four vehicles were knocked out, the communiqué said.

It said the Iraqis had forced Iranian forces to retreat in the Gilan-e-Gharb area of western Iran and had shelled vehicles near the southern oil refinery of Abadan.



AFRICAN SUMMIT: President Milton Obote of Uganda (right) checks his time as he escorts (from left) Presidents Kenneth Kaunda of Zambia, Daniel Arap Moi of Kenya and Julius Nyerere of Tanzania to Koloilo airstrip after their summit meeting in Kampala Saturday.

Three-nation summit

African presidents seek mutual help

KAMPALA, Jan. 19 (AFP) — The presidents of Kenya, Uganda and Tanzania have decided at a summit meeting here to reopen the files of the former East African community, which was dissolved in 1977, and seek a durable basis for cooperation among the three countries.

Zambian President Kenneth Kaunda, also participated Saturday in the talks involving Kenya's Daniel Arap Moi, Tanzania's Julius Nyerere and Uganda's Milton Obote. The presidents agreed to try to settle the problem of the assets of the defunct community and in particular its shipping line, of which Zambia is part owner. The shipping line went bankrupt and was dissolved last year.

When ministers of the different govern-

ments have completed reports on the assets question, the four presidents will meet again to discuss the findings. The three East African presidents agreed that there was no point in dealing with subsidiary issues, such as the reopening of the Kenya-Tanzania border, which has been closed for four years.

They decided to concentrate their attention on the fundamental causes of the ill-will that has grown up among them. The differences were clearly indicated when each country seized the holdings of their joint community within their own frontiers.

The summit meeting lasted four hours and was followed by a huge rally in a square in an inner suburb of Kampala.

"Let us put Uganda, first and our personnel

ambitions second," Obote told the several thousand people gathered in the square. "The one thing we need is understanding." Finding a solution to Uganda's current economic crisis was in fact one of the main aims of the summit meeting. The country, once a wealthy exporter, is on the brink of economic collapse.

Gasoline is still rationed in Uganda, with a limit of 30 liters a week per car. All consumer goods, except vegetables, are in short supply and hunger is a problem in the capital. Uganda desperately needs infusions of foreign economic assistance. And President Obote is seeking to show that his government has re-established security throughout the country to boost his appeals to international organizations for aid.

OAU leaders may demand U.N. intervention in Chad

FREETOWN, Jan. 19 (Agencies) — The heads of state of Algeria, Sierra Leone, Senegal and Guinea, who attended last week's Lome meeting of the Organization of African Unity to seek a solution of the Chad crisis, may call on the United Nations to intervene in the Chad crisis, according to Guinea's President Sekou Toure. In a Radio Conakry broadcast monitored here, the Guinean president said the four leaders could meet with the U.N. Secretary General Kurt Waldheim in Freetown, Sierra Leone, Tuesday.

He added that the four heads of state had asked Waldheim to come and see them and that he had agreed. Toure said he believed the U.N. would "fully honor" the confidence which, he said, the Organization of African Unity had in it.

Meanwhile, Chad Foreign Minister Ahmet Acyl said in an interview published in Beirut Sunday that there was no opposition inside the Chad government to unity with Libya. He

told the Lebanese weekly *Al-Kifak Al-Arabi*: "No minister opposes the full agreement with the Libyan Jamahiriyah and no one ignores the effective and positive role by Libya. Libya is the only country which helped us."

Reacting to French criticism of the projected union, Acyl was quoted as saying: "France has no right to speak in the name of Chad and to interfere in our internal affairs." He said he had asked the French government, through its ambassador in Tripoli, "to stop conspiracies against us and assistance to the forces of rebel Hissene Habre."

Former Defense Minister Habre was defeated in Chad's civil war when Libyan forces intervened in support of President Goukouni Oueddei.

Acyl said he did not expect French intervention in Chad, but added that if it took place it would be resisted. He added: "We have the absolute freedom to ask for help from anywhere, but Chad will never be an imperialist base either for France or any other country."

From page one

When the draft agenda for the preparatory meeting was adopted only South Yemen spoke out against the inclusion of a debate on Afghanistan, which was suspended from the organization following the Soviet invasion 13 months ago.

Conference sources described the South Yemeni objection as an attempt by Moscow's allies in the Middle East to stall debate by heads of state on the Afghan issue.

Chatti said that the OIC's political commission had agreed to hear a delegation of Afghan fighters which had been cleared to attend the meeting.

Chadian Foreign Minister Ahmet Acyl arrived in Taif Monday with a five-man team to join the preparatory meeting.

Chad was one of five members of the 42-state organization missing when the conference opened Saturday, and there was speculation that like Libya, with which it has agreed to merge, that it might stay away from Taif.

Other missing members were Iran, which objects to sitting at the same conference table as Iraq, Afghanistan and Egypt, which has been suspended because of its separate face treaty with Israel.

There was, however, continuing speculation here that Iran might still respond to conference appeals and send a team to the summit. This respond to conference appeals and send a team to the summit. This was fueled by

reports that visas had been made available for a delegation from Tehran.

Chatti, meanwhile, said that Libya might also attend if it is satisfied about certain conditions relative to the breaking of relations between Libya and Saudi Arabia last October.

While the foreign ministers met as the conference's political committee, economic and cultural committees also had separate talks on mid-ranging subjects designed to achieve greater cohesion among the member states.

Mugabe to seek Kaunda's help in mediation

LUSAKA, Jan. 19 (Agencies) — Zimbabwe Prime Minister Robert Mugabe arrived here Monday for a one-day visit, during which he is expected to ask President Kenneth Kaunda for help in heading off a potential split in his country's ruling coalition.

Mugabe, who was welcomed at the airport by Kaunda, was expected to ask the Zambian leader to persuade Joshua Nkomo and the minority Patriotic Front party, to remain in the government coalition. He is also thought to want Kaunda to use his influence to prevent further clashes between Nkomo's supporters and members of his own ZANU (Zimbabwe African National Union Patriotic Front) party.

Nkomo, who was stripped of his post as home affairs minister last weekend and named public service minister, based his guerrilla Zambia during the pre-independence struggle against the white-minority regime of Rhodesia. A large number of his supporters still have to be repatriated to Zimbabwe.

Mugabe was accompanied by a high ranking delegation that included Finance Minister Enos Nkala and outgoing Tourism Minister Ernest Kadungure. Mugabe offered Nkomo's party the post of transport minister, to bring its share of cabinet seats to five out of 25.

In Salisbury, meanwhile Nkomo appears to be seeking a compromise with Mugabe over the denouement. The Central Committee, Nkomo's PF-ZAPU held two days of talks over the weekend following Mugabe's announcement eight days ago that his guerrilla ally was being stripped of the Foreign Affairs portfolio. At a press conference Sunday Nkomo said he had sent a document to Mugabe outlining his "clear and sincere position." He declined to tell reporters what was in the document, but hinted that it would comprise by which PF-ZAPU would remain in the coalition government, provided it was given a far greater role in security affairs than Mugabe has envisaged.

He said in a prepared statement: "The Patriotic Front-ZAPU believes that peace and security in this country depend on cooperation between PF-ZAPU and Mugabe's party. The joint control of security is an obligation on both parties and is vital."

Pilots' strike hits all Alitalia flights

ROME, Jan. 19 (R) — The Italian national airline Alitalia Monday cancelled all international flights and 90 per cent of its domestic services as pilots began a seven-day strike for higher pay.

Alitalia has rejected the pilots' demand for a 20 per cent increase on basic salary doubling. Flying allowances and extra pay for night and holiday shifts. The Labor Ministry has called both sides for talks Tuesday in an attempt to mediate.

The independent Ampac Pilots' Union led the strike to back demands for a contract and hefty pay hikes that would almost double salaries and benefits.

Labor Minister Franco Foschi was slated to meet with unions and management Tuesday to try to end the strike. Officials at Alitalia and the state-owned domestic carrier Alitalia put into effect an emergency plan to maintain air links with Sardinia and Sicily with minimum service on major routes such as Rome-Milan.

Bernadette Devlin remains critically ill

BELFAST, Jan. 19 (AFP) — Civil rights campaigner and former member of parliament Bernadette Devlin McAliskey, 37, died at her home Friday, was still "seriously ill" from the intensive care unit of the Royal Victoria Hospital, a hospital spokesman said here. He added that two plainclothes policemen were on round the clock guard outside her room.

Her husband, Michael McAliskey, was critical in the military wing of the Provisional IRA. He was announced as a member of the IRA. Investigators hoped he would be well enough to talk to them later. Mrs. Devlin, 34-year-old Mrs. McAliskey, at 21, youngest person to be elected to parliament for 200 years, said that she was in a "coma."

In Philippines

President arms assembly with full legislative powers

By Jose Pavia
Arab News Correspondent

MANILA, Jan. 19 — President Ferdinand E. Marcos has formally turned over his law-making power as Philippine president exercising martial law powers to the interim *Batasang Pambansa* (National Assembly).

The president, at the same time, has called upon the assembly to address itself to its momentous task of leading the Philippines to full political normalization and to anticipate any contingency or emergency and to provide for it with proper legislation.

In his state of nation address televised and broadcast on radio nationwide, Marcos said that "all the power of legislation must solely rest in the *Batasang Pambansa*." He then asked the 184-member assembly to buckle down to work on a legislative agenda topped by the proposals to amend the constitution and the requirements of a massive food production program.

"It is my hope never to exercise this (law-making) power unless absolutely necessary," the 63-year-old president said in his hour-long report which was interrupted 10 times by applause. He and the first lady, Mrs. Imelda R. Marcos who is a member of the assembly, were given a standing ovation on arrival shortly after 10 a.m. at the assembly which is a 30-minute drive northeast of Manila.

Speaking just two days after revoking his declaration of martial law, Marcos said: "Difficult decisions have to be made in months to come." He said the assembly is called upon to act with dispatch on a program he will submit to it in the next few days. He mentioned the energy crisis, reorganization of the judiciary, industrialization and issues which run the gamut of concerns and cares of national life.

The president said as prime minister he will see to it that the program of government will be fully debated promising that the most liberal leeway will be allowed for the opposition and every sector of the population to air their views.

Pledging to play a more active part in the *Batasang* as prime minister and leader of the ruling party, Marcos expressed the hope that in the next three years to full normalcy a system of collaborative action shall be achieved as a legacy to the regular national assembly which will come into being in 1984.



ANXIOUS WAIT: Newsmen wait in the press room of the White House in Washington Sunday for word on the release of the U.S. hostages by Iran.

Deputies urge review of Polish labor agreements

WARSAW, Jan. 19 (Agencies) — A group of parliament deputies has asked the Polish government to meet with the independent labor movement Solidarity to renegotiate agreements that ended last summer's strikes, the state news agency PAP reported.

It said several deputies called on the government to renegotiate the Gdansk and Jastrzebie accords, referring to two major strike centers where accords were signed. The lawmakers were said to have made the move after studying the 1981 plan on "issues of social policy." They said declining income was preventing the government from meeting agreements on the five-day work week, meat rations and quicker housing construction.

In another development a local chapter of the Solidarity Sunday called for an official investigation into police brutality during violent clashes with workers at radom near Warsaw in June 1976.

Local party and government authorities have repeatedly denied that anyone was killed in police action to quell the food price riots in the industrial town 106 km south of Warsaw. In a letter to the general prosecutor published Sunday, Solidarity's Radom area branch demanded an investigation, trial and conviction of those implicated in the crackdown.

It gave incomplete names of a local commanding officer and province prosecutor who it alleged were responsible for "lawless arrests, beatings and even killings of citizens of our town."

The letter added, "those responsible for tolerating and concealing those crimes are first (local) party secretary Jerzy Vpoupiak and Governor of Radom province R. Mackowski."

Meanwhile, Polish trade union leader Lech Walesa and members of the Solidarity deleg-

ation left Rome Monday for Warsaw at the end of a six-day visit to Rome. Walesa and his Solidarity colleagues had two audiences with Polish-born Pope John Paul II and a series of meetings with Italian unionists.

Walesa may well be called on to extinguish spreading political bush-fires set by an intense anti-union campaign by the government and increasingly volatile rank-and-file members of his Solidarity.

Observers said the situation was even more complex than when he left on his visit to Italy, with mounting government charges of "blackmail," "falsehood" and counter-revolutionary "infiltration" of the union. In Moscow, the Soviet Communist Party newspaper *Pravda* repeated charges made by Polish authorities and called on the party to rally society's forces to bring an end to the difficulties.

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